



THE STAR.

RALEIGH, JAN. 8, 1840.

THE PEOPLE'S TICKET.

FOR PRESIDENT,

WILLIAM HENRY HARRISON, The invincible Hero of Tippecanoe—the incorruptible Statesman—the inflexible Republican—the patriot Farmer of Ohio.

FOR VICE PRESIDENT, JOHN TYLER,

State Rights' Republican of the school of '98, one of Virginia's noblest sons, and emphatically one of America's most sagacious, virtuous and patriotic statesmen.

The broad banner of HARRISON, LIBERTY and the CONSTITUTION is now hung to the breeze, inscribed with the inspiring motto—ONE PRESIDENTIAL TERM—THE INTEGRITY OF THE PUBLIC SERVANTS—THE SAFETY OF THE PUBLIC MONEY—THE DIVISION OF THE PUBLIC LANDS—THE DOWNFALL OF ABOLITION—AND THE GENERAL GOOD OF THE PEOPLE.

FOR GOVERNOR OF NORTH CAROLINA,

JOHN M. MOREHEAD, OF GUILFORD COUNTY,

The able statesman—the sound republican—the pure patriot—the honest man.

THE PEOPLE'S CANDIDATE.

If there ever was an individual whose name has been presented to the attention of the American people as a candidate for their confidence, who deserved the respect and appellation which is prefixed to this article, that man is WILLIAM HENRY HARRISON. We can say to the people of this country, in speaking of General Harrison, as Mr. Webster, in his celebrated speech on Foote's Resolutions, said to Mr. Hayne in referring to Massachusetts: "There he is; behold him, and judge for yourselves." Yes, we say to the honest-hearted, the sober-thinking, the grateful and Republican people of the Union, and to the people of every State, and every Territory, and every Republic on earth, that the illustrious hero of Tippecanoe is emphatically one of yourselves—that he not only sprinkled the soil of your country with his blood, not only wrought out saving deliverances of the Territory, of the wives and children and aged fathers of the Republic on the battle field,—not only conferred imperishable benefits upon the Union, by his wisdom, as Governor of the North Western Territory and in the councils of the nation—but that he yet lives to illustrate what is more refreshing to the Republican heart than a thousand splendid and costly pageants, the fact that greatness in the field and in the council is not incompatible with the existence of simplicity & warmth in the private affections of life. Let the farmers of North Carolina remember, and remember, too, with honest pride, that the candidate presented for their support by those opposed to tyranny, corruption and misrule in our Government, is also a FARMER—that he is one of themselves—that he labors, not only for the support of his family in the Clerkship of a court, but that he also follows the plough, when necessary, with as much cheerfulness and alacrity as the plainest farmer in North Carolina—that he mingles constantly with the plainest of his neighbors, without the assumption of any mark of superiority over them—that his door is always open to his poor neighbors—that his hand is ever open to relieve their wants—that a stranger would not be able to distinguish him on account of his dress, from the plainest of his farming neighbors—and that he is idolized by his neighbors. Such is WILLIAM HENRY HARRISON. Let the people of North Carolina pause and dwell with delight upon the picture.

GENERAL HARRISON AND SLAVERY.

It is objected to the Hero of Tippecanoe, by many of the Tory presses, that he does not reside in a slave-holding State. What difference does this make, when he is not only with the South as the subject of slavery, but also as ardently and perfectly in unison with the South on the abolition question as the most enthusiastic Southerner in the confederacy. Mr. Calhoun himself, who seems to catch fire and glow like a furnace whenever the subject of slavery may be even incidentally touched, should not be more acceptable to the South, as far as abolition may be involved, than General Harrison. We do not believe that Mr. Calhoun should be in as high favor with the South on the subject of slavery as the Hero of Tippecanoe. For if there be any difference in the com-

tem of paper credit with which all banks are connected, and thus aid those that are sound and well managed, it will at the same time sensibly check such as are otherwise, by at once withholding the means of extravagance afforded by the public funds, and restraining them from excessive issues of notes which they would be constantly called upon to redeem.

I am aware it has been urged that this control may be best attained and exerted by means of a National Bank. The constitutional objections, which I am well known to entertain, would prevent me in any event from proposing or assenting to that remedy; but in addition to this, I cannot, after past experience, bring myself to think that it can any longer be extensively regarded as effective for such a purpose. The history of the late National Bank through all its mutations shows that it was not so. On the contrary, it may, after a careful consideration of the subject, be I think, safely stated, that at every period of banking excess it took the lead, and in 1817, and 1818, and 1823, and 1831, and in 1834, its vast expansions, followed by distressing contractions, led to those of the State institutions. It swelled and maddened the tides of the banking system, but seldom allayed, or safely directed them. At a few periods only was a salutary control exercised, but an eager desire, on the contrary, exhibited for profit in the first place; and if, afterwards, its measures were severe towards other institutions, it was because its own safety compelled it to adopt them. It did not differ from them in principle or in form; its measures emanated from the same spirit of gain; it felt the same temptation to overissues; it suffered from, and was totally unable to avert, those inevitable laws of trade, by which it was itself affected equally with them; and at least on one occasion, at an early day, it was saved only by extraordinary exertions from the same fate that attended the weakest institution it professed to supervise. In 1837 it failed, equally with others, in redempting its notes though the two years allowed by its charter for that purpose had not expired a large amount of which remains to the present time outstanding. It is true, that having so vast a capital, and strengthened by the use of all the revenues of the Government, it possessed more power; but while it was itself, by that circumstance, freed from the control which all banks require, its paramount object and inducement were left the same—to make the most for its stockholders, not to regulate the currency of the country. Nor has it, as far as we are advised, been found to be greatly otherwise elsewhere. The national character given to the Bank

enabled it to keep off a suspension of specie payments, which lasted for nearly a quarter of a century. And why should we except it to be otherwise? A national institution, though deriving its charter from a different source than the State banks, is yet constituted upon the same principles; is conducted by men equally exposed to temptations; and is liable to the same disasters; with the additional disadvantage that its magnitude occasions an extent of confusion and distress which the mismanagement of smaller institutions could not produce.

It can scarcely be doubted that the recent suspension of the United States Bank of Pennsylvania—of which the effects are not in that State alone, but over half the Union—had its origin in a course of business commenced while it was a national institution; and there is no good reason for supposing that the same consequences would not have followed, had it still derived its powers from the General Government. It is in vain, when the influences and impulses are the same, to look for a difference in conduct or results. By such creations, we do therefore but increase the mass of paper credit and paper currency, without checking their attendant evils and fluctuations. The extent of power and the efficiency of organization which we give, so far from being beneficial, are in practice positively injurious. They strengthen the chains of dependence throughout the Union, subject all parts more certainly to common disaster, and bind every bank more effectually, in the first instance, to those of our commercial cities, and, in the end, to a foreign power. In a word, I cannot but believe that, with the full understanding of the operations of our banking system which experience has produced, public sentiment is not less opposed to the creation of a National Bank for purposes connected with currency and commerce, than for those connected with the fiscal operations of the Government.

Yet the commerce and currency of the country are suffering evil from the operations of the State banks which cannot and ought not to be overlooked. By their means, we have been flooded with a depreciated paper, which it was evidently the design of the framers of the Constitution to prevent; when they required Congress to "coin money and regulate the value of foreign coins," and when they forbade the States "to coin money, emit bills of credit, make any thing but gold and silver a tender in payment of debts," or "pass any law impairing the obligations of contracts. If they did not guard more explicitly against the present state of things, it was because they could not have anticipated that the few banks then existing were to swell to an extent which would expel to so great a degree the gold and silver, for which they had provided, from the channels of circulation, and fill them with a currency that defeats the objects they had in view. The remedy for this must chiefly rest with the States from whose legislation it has sprung. No gold that might accrue in a particular case [We are compelled to defer a small portion of the message until next week.]

dollars paid to collectors and receivers during the present year, the average amount in their hands at any one time has not exceeded a million and a half; and of the fifteen millions received by the collector of New York alone during the present year, the average amount held by him, subject to draft during each week, has been less than half a million.

The ease and safety of the operations of the Treasury in keeping the public money, are promoted by the application of its drafts to the public dues. The objection arising from having them too long outstanding, might be obviated, and they yet made to afford to merchants and banks holding them an equivalent for specie, and in this way greatly lessen the amount actually required. Still less inconvenience will attend the requirement of specie in purchases of public lands.—Such purchases, except when made on speculation, are, in general, but single transactions, rarely repeated by the same person; and it is a fact, that for the last year and a half, during which the notes of sound banks have been received, more than a moiety of these payments has been voluntarily made in specie, being a larger proportion than would have been required in three years under the graduation proposed.

It is moreover a principle than which none is better settled by experience, that the supply of the precious metals will always be found adequate to the uses for which they are required. They abound in countries where no other currency is allowed. In our own States, where small notes are excluded, gold and silver supply their place. When driven to their hiding places by bank suspensions, a little firmness in the community soon restores them in a sufficient quantity for ordinary purposes. Postage and other public dues have been collected in coin, without serious inconvenience, even in States where a depreciated paper currency has existed for years, and this, with the aid of Treasury notes for a part of the time, was without interruption during the suspension of 1837. At the present moment, the receipts and disbursements of the Government are made in legal currency in the largest portion of the Union—no one suggests a departure from this rule; and if it can now be successfully carried out, it will be surely attended with even less difficulty when bank notes are again redeemed in specie.

Indeed I cannot think that a serious objection would any where be raised to the receipt and payment of gold and silver in all public transactions, were it not from an apprehension that a surplus in the Treasury might withdraw a large portion of it from the public vaults. It would not, in my opinion, be difficult to prevent such an inconvenience from occurring by the authentic statements which I have already submitted to you in regard to the actual amount in the public Treasury at any one time during the period embraced in them; & the little probability of a different state of the Treasury for at least some years to come, seem to render it unnecessary to dwell upon it. Congress, moreover, as I have before observed, will in every year have an opportunity to guard against it, should the occurrence of any circumstances lead us to apprehend injury from this source. Viewing the subject in all its aspects, I cannot believe that any period will be more auspicious than the present for the adoption of all measures necessary to maintain the sanctity of our own engagements, and to aid in securing to the community that abundant supply of the precious metals which adds so much to their prosperity; and gives such increased stability to all their dealings.

In a country so commercial as ours, banks in some form will probably always exist; but this serves only to render it more incumbent on us, notwithstanding the discouragements of the past, to strive in our respective stations to mitigate the evils they produce; to take from them as rapidly as the obligations of public faith and a careful consideration of the immediate interests of the community will permit, the unjust character of monopolies; to check so far as may be practicable by prudent legislation, those temptations of interest and those opportunities for their dangerous indulgence, which beset them on every side, and to confine them strictly to the performance of their paramount duty, that of aiding the operations of commerce, rather than consulting their own exclusive advantage. These and other salutary reforms may, it is believed, be accomplished without the violation of any of the great principles of the social compact, the observance of which is indispensable to its existence, or interfering in any way with the useful and profitable employment of real capital.

Institutions so framed have existed and still exist elsewhere, giving to commercial intercourse all necessary facilities, without inflating or depreciating the currency, or stimulating speculation. Thus accomplishing their legitimate ends, they have gained the surest guarantee for their protection and encouragement in the good will of the community. Among a people so just as ours the same results could not fail to attend a similar course. The direct supervision of the banks belongs, from the nature of our Government, to the States who authorize them. It is to their Legislatures that the people must mainly look for action on that subject. But as the conduct of the Federal Government in the management of its revenue has also a powerful though less immediate influence upon them, it becomes our duty to see that a proper direction is given to it.—While the keeping of the public revenue in a separate and Independent Treasury, and of collecting it in gold and silver, will have a salutary influence on the sys-

tem of paper credit with which all banks are connected, and thus aid those that are sound and well managed, it will at the same time sensibly check such as are otherwise, by at once withholding the means of extravagance afforded by the public funds, and restraining them from excessive issues of notes which they would be constantly called upon to redeem.

I am aware it has been urged that this control may be best attained and exerted by means of a National Bank. The constitutional objections, which I am well known to entertain, would prevent me in any event from proposing or assenting to that remedy; but in addition to this, I cannot, after past experience, bring myself to think that it can any longer be extensively regarded as effective for such a purpose. The history of the late National Bank through all its mutations shows that it was not so. On the contrary, it may, after a careful consideration of the subject, be I think, safely stated, that at every period of banking excess it took the lead, and in 1817, and 1818, and 1823, and 1831, and in 1834, its vast expansions, followed by distressing contractions, led to those of the State institutions. It swelled and maddened the tides of the banking system, but seldom allayed, or safely directed them. At a few periods only was a salutary control exercised, but an eager desire, on the contrary, exhibited for profit in the first place; and if, afterwards, its measures were severe towards other institutions, it was because its own safety compelled it to adopt them. It did not differ from them in principle or in form; its measures emanated from the same spirit of gain; it felt the same temptation to overissues; it suffered from, and was totally unable to avert, those inevitable laws of trade, by which it was itself affected equally with them; and at least on one occasion, at an early day, it was saved only by extraordinary exertions from the same fate that attended the weakest institution it professed to supervise. In 1837 it failed, equally with others, in redempting its notes though the two years allowed by its charter for that purpose had not expired a large amount of which remains to the present time outstanding. It is true, that having so vast a capital, and strengthened by the use of all the revenues of the Government, it possessed more power; but while it was itself, by that circumstance, freed from the control which all banks require, its paramount object and inducement were left the same—to make the most for its stockholders, not to regulate the currency of the country. Nor has it, as far as we are advised, been found to be greatly otherwise elsewhere. The national character given to the Bank

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In a country so commercial as ours, banks in some form will probably always exist; but this serves only to render it more incumbent on us, notwithstanding the discouragements of the past, to strive in our respective stations to mitigate the evils they produce; to take from them as rapidly as the obligations of public faith and a careful consideration of the immediate interests of the community will permit, the unjust character of monopolies; to check so far as may be practicable by prudent legislation, those temptations of interest and those opportunities for their dangerous indulgence, which beset them on every side, and to confine them strictly to the performance of their paramount duty, that of aiding the operations of commerce, rather than consulting their own exclusive advantage. These and other salutary reforms may, it is believed, be accomplished without the violation of any of the great principles of the social compact, the observance of which is indispensable to its existence, or interfering in any way with the useful and profitable employment of real capital.

with foreign countries, which draws the precious metals from their vaults, would require, in order to meet it, a larger amount of their loans to a comparatively small portion of the community, than it will be convenient for them to bear, or perhaps safe for the banks to exact. The plan has created to be one of expediency. Convenience and policy are now deemed sufficient to warrant these institutions in disregarding their solemn obligations. Such conduct is not merely an injury to individual creditors, but it is a wrong to the whole community, from whose liberality they hold most valuable privileges—those rights they violate, whose business they exchange, and the value of whose property they render unstable and insecure. It must be evident that this new ground for bank suspensions, in reference to which their action is not only disconnected with, but wholly independent of that of the public, gives a character to their suspensions more alarming than any which they exhibited before, and greatly increases the impropriety of relying on the banks in the transactions of the Government.

A large and highly respectable portion of our banking institutions are, it affords me unfeigned pleasure to state, exempt from all blame on account of this second delinquency. They have, to their great credit, not only continued to meet their engagements, but have even repudiated the grounds of suspension now restored to. It is only by such a course that the confidence and good will of the community can be preserved, and, in the sequel, the best interests of the institutions themselves promoted.

New dangers to banks are also daily disclosed from the extension of that system of extravagant credit of which they are the pillars. Formerly our foreign commerce was principally founded on an exchange of commodities, including the precious metals, and leaving in its transactions but little foreign debt. Such is not now the case. Aided by the facilities afforded by the banks, mere credit has become too commonly the basis of trade. Many of the banks themselves, not content with largely stimulating this system among others, have assumed the business, while they impair the stability of the mercantile community; they have become borrowers instead of lenders; they encourage the issue of State securities until the foreign market is glutted with them; and unsatisfied with the legitimate use of their own capital and the exercise of their lawful privileges, they raise, by large loans, additional means for every variety of speculation.—The disasters attendant on this deviation from the former course of business in this country, are now shared alike by banks and individuals, to an extent of which there is perhaps no previous example in the annals of our country. So long as a willingness of the foreign lender, and a sufficient export of our productions to meet any necessary partial payments, leave the flow of credit undisturbed, all appears to be prosperous; but as soon as it is checked by any hesitation abroad, or by an inability to make payment there in our productions, the evils of the system are disclosed.—The paper currency which might serve for domestic purposes, is useless to pay the debt due in Europe. Gold and silver are therefore drawn, in exchange for their notes, from the banks. To keep up their supply of coin, these institutions are obliged to call upon their own debtors, who pay them principally in their own notes, which are as unavailable to them as they are to the merchants to meet the foreign demand.—The calls of the banks, therefore, in such emergencies, of necessity, exceed that demand, and produce a corresponding curtailment of their accommodations and of the currency, at the very moment when the state of trade renders it most inconvenient to borne. The intensity of this pressure on the community is in proportion to the previous liberality of credit and consequent expansion of the currency; forced sales of property are made at the time when the means of purchasing are most reduced, and the worst calamities to individuals are only at last arrested, by an open violation of their obligations by the banks, and a refusal to pay specie for their notes, and an imposition upon the community of a fluctuating and depreciated currency.

These consequences are inherent in the present system. They are not influenced by the banks being large or small, created by National or State Governments.—They are the results of the irresistible laws of trade and credit. In the recent events which have so strikingly illustrated the certain effects of these laws, we have seen the bank of the largest capital in the Union, established under a National charter, and lately strengthened, as we were authoritatively informed, by exchanging that for a State charter, with new and unusual privileges—in a condition, as it was said, of entire soundness and great prosperity—not merely unable to resist these effects, but the first to succumb to them.

Nor is it to be overlooked, that there exists a chain of necessary dependence among these institutions which obliges them, to a great extent, to follow the course of others notwithstanding its injustice to their own immediate creditors, or injury to the particular community in which they are placed. This dependence of a bank, which is in proportion to the extent of its debts for circulation and deposits, is not merely on others in its own vicinity, but on all those which connect it with the centre of trade. Distant banks may fail, without seriously affecting those in our principal commercial cities; but the failure of the latter is felt at the extremities of the Union. The suspension at New York, in 1837, was every where, with very few exceptions, followed, as soon as it was known; that recently at Philadelphia immediately affected the banks of the South and West in a similar manner.—This dependence of our whole banking system on the institutions in a few large cities, is not found in the laws of their organization, but in those of trade and exchange. The banks at that centre to which currency flows, and where it is required in payments for merchandise, hold the power of controlling those in regions whence it comes, while the latter possess no means of restraining them; so that the value of individual property, and the prosperity of trade, through the whole interior of the country, are made to depend on the good or bad management of the banking institutions in the great seats of trade on the seaboard.

But this chain of dependence does not stop here. It does not terminate at Philadelphia or New York. It reaches across the ocean, and ends in London, the centre of the credit system. The same laws of trade, which give to the banks in our principal cities power over the whole banking system of the United States, subject the former, in their turn, to the money power in Great Britain. It is not denied that the suspension of the New York banks in 1837, which was followed in quick succession throughout the Union was produced by an application of that power; and it is now alleged, in extenuation of the present condition of so large a portion of our banks, that their embarrassments have arisen from the same cause.