

RALEIGH REGISTER

AND NORTH-CAROLINA GAZETTE.

"Ours are the plans of fair delightful peace, unwarp'd by party rage, to live like brothers."

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STATE LEGISLATURE.

SENATE.

Thursday, Dec. 3.

The bill to provide for the redemption of the instalments on the State Bank, was taken up, and read the second time. (The bill provides that the State shall borrow the money, and for that purpose the Public Treasurer shall issue certificates to the amount of—dollars, to bear interest at the rate of not more than 5 per cent. not redeemable until 1880; and that the stock of the State shall stand pledged for the payment of the debt.)

Mr. WYOMER said, it had become his duty, as the organ of the committee, to support the measure which they had recommended. There appeared to be various opinions on the subjects involved in the discussion. Some were in favor of giving to the University the advantage of taking stock reserved to the State; the full extent of its means; others were opposed to its taking any; some were in favor of the State's borrowing the money of the University and taking the stock herself, and others were opposed to that measure. He thought we should make our University a first rate institution, to educate our sons, and to induce those from abroad to send their children to it. Sound policy dictated such a course, and the constitution made it obligatory. But it did not appear to him to be necessary to surrender to it the stock reserved for the State. To his mind, an insuperable objection to this course was, that by such surrender the State would lose the power to control the Bank. After an elaborate discussion in the Legislature, for several successive sessions, the principle had been finally agreed on, that the State should have a controlling influence in the meetings of stockholders, and individuals in the board of directors. If the University be now permitted to take 1500 of the shares reserved to the State, it will destroy, or greatly weaken the influence of the State; and these shares would not have the vigilance of private interest to prompt attention to the management of the Bank. They would sit in a board of trustees, consisting of about sixty gentlemen, living in different parts of the State, who could never be expected to pay the requisite attention to the affairs of the Bank. He would not object to an arrangement by which the University might have the property in as many shares as its means would enable it to pay for, and to receive all the profits arising from them, provided the State retained the right to represent the shares in the general meetings and the directors.

Mr. MOREHEAD begged the indulgence of the Senate for a few minutes, and proceeded to make the following remarks:—I regret, said he, the course which has been taken in this discussion, for the purpose of exciting prejudice, and to mislead the judgment. The great object of all inquiry is to ascertain truth; and whatever is calculated to divert the understanding from its object, is unfair and ungenerous in argument. There has been much said about the nobility, the rich and the poor. These are appeals made to the vulgar prejudices of men, not to their understandings. We happily live under institutions recognizing no inequality, and issuing no letters patent of nobility; and if it be a distinction to be admitted into the University of our State, it is one easily purchased by a young man of energy and good habits, and one in the grasp of almost every prudent father for his son. I know no test questions upon application for admission, whether the applicants' father is blooded with wealth, or whether he is daily laboring in his farm, for the education and comfort of his family; and when admitted, the only distinction then made is upon moral conduct and scholarship. I hope that every Senator will, in justice to himself and to the subject on which he is called upon to vote, understand what he is called upon to do, before he acts. We have heard the Trustees of the University censured; we have heard the institution itself denounced as already having been largely the patronage of the State. To ascertain the truth or falsehood of this position, it will be necessary to go into the history of this institution. The Constitution of the State imposes it upon the Legislature to establish schools for the convenient instruction of youth, and further enjoin that "all useful learning shall be duly encouraged and promoted in one or more Universities."—In obedience to this Constitutional injunction, the Legislature, in the year 1789, passed an act incorporating the present University; in which they declare, "that in all well regulated governments, it is the indispensable duty of every Legislature to consult the happiness of the rising generation, and endeavor to fit them for an honorable discharge of the social duties of life, by paying the strictest attention to their education;" and by way of soliciting funds for the purpose of erecting buildings, &c. held out inducements, that six of the halls should be called after the highest donors. At the same session, another act was passed, by which all the property that had previously, or should thereafter escheat to the State, was vested in the Trustees, &c. This gave to the University the right to the military warrants and claims of the soldiers of the revolution, who had died without heirs, so far as North Carolina was concerned.

It was the object of the State to pay her soldiers of the revolution in Western lands. In the year 1789, North Carolina ceded to the United States that portion of her Territory which now forms the State of Tennessee, and in her deed of cession, expressly reserved, "that the lands laid off, by any act of the Assembly of this State, for the officers and soldiers of the continental line, shall inure to the benefit of such officers, soldiers, their heirs, &c." At the time of the cession, many land warrants had not been located and many of the soldiers of the revolution had died without having obtained warrants. The trustees of the University having thus succeeded to the rights of the officers and soldiers of the revolution, who had died without heirs, were at great trouble and expense in ferreting out their claims, and asserting their rights—procuring proper evidence of their titles. In 1796, the territory thus ceded, included in Tennessee, was admitted into the Union as a free and sovereign State, and was placed upon an equal footing with her sister States. In 1804, a compact was entered into between this State and Tennessee, and subsequently ratified by an act of Congress, by which compact Tennessee was to perfect title on all the bona fide claims of North Carolina, chargeable upon the Territory by the cession act of 1789. Some time after this compact, a misunderstanding took place between the University and the State of Tennessee. On the one hand, it was contended that the University had claims, which were unsatisfied, predicated upon services rendered by the Soldiers of the North Carolina line who were said to be dead, and whose blood was extinct, as was alleged, without leaving any heir in the United States capable of inheriting; on the other hand, it was insisted that these claims were not properly chargeable upon the Territory thus ceded, under a fair and proper construction of the cession act of 1789. This difference of opinion was the subject of negotiation until about the year 1823, I think, (I speak from memory) when the subject of controversy was settled; in which the University had to yield more than 50,000 acres of the land to which she set up claim by way of purchasing her peace. During the whole of this period, those western lands have been an unproductive fund; and have cost great trouble and expense. Within a short period, (the present year,) the trustees have been enabled to make sale of a large portion of their lands, and have received the money for it, which they have now on hand.

From this brief narrative, is there any thing which shows unfair dealing, anything like a monopoly? or any thing which shows excessive patronage on the part of the Legislature? On the contrary, the history of the institution shows the fact that it has, in a great degree, been kept up by the unceasing efforts, the untiring zeal of one individual. But Sir, the heart which felt for its success, has stilled its emotion, and the tongue that eloquently plead its cause, is hushed in death. And what, sir, is now asked? Not that the Legislature will give a dollar, not that the citizens should be taxed a cent for its support; but, on the contrary, this Institution returns to us, its parent, tells the history of its poverty and difficulty, and asks the poor boon that it may be permitted to take \$150,000 in the stock of the Bank of State, reserved by the State to herself, which stock the State cannot take without borrowing the money. Is it prudent, is it just, is it patriotic, to turn this child of the State from its parent, and compel it to seek a place of investment for its funds in another State? There is something unnatural in the idea. Economy forbids the idea that this institution will, with the grasp of a miser, hoard up its treasure, without profit, and live upon the capital, until it is consumed. The inevitable consequence will be, that unless a place of investment is found at home, this amount of capital must be driven from the State, to find investment elsewhere. For one, sir, I regret to see one cent leave the State, when all our citizens with one voice say we have too little at home.

What, sir, are the objections set up to this investment by the Senators from Wilkes and Martin, (Messrs. Welborn and Cooper?) That they are for the encouragement of the Literary Fund, to support primary schools. I will not yield to either of these gentlemen in efforts to educate the poor, and instruct the sturdy yeomanry of the country. I would, as a citizen, be willing to bear direct taxation for that purpose; but in our zeal for common schools, we should not forget that which we already have. The Literary Fund and University claim existence from the same common parent.—The Literary Fund has already been permitted to make an investment to the amount of \$170,000, the utmost extent of her ability, and if she take more stock, she must do it upon borrowed capital.—Here, then, is one of these institutions permitted to take stock reserved to the State to the utmost extent of her ability, while the other is turned away. This, too, is unnatural. These institutions are hand-maids to each other. Primary schools cannot be taught without a competent teacher, prepared in higher institutions; nor can higher institutions be supported without the preparatory steps of primary schools and academies. Nature, in all her works, has gradations; and so must the institutions of men, to be useful.

I am surprised to hear these objections from the source from which they come.—These gentlemen, from their age, stand as connecting links between the age which is past and the present. They speak knowingly of the difficulties in procuring an education in their time; we learn them from tradition. They have felt them, and I would ask either of these gentlemen, if, in their early days, a student wished to procure a liberal education, if his parents were not put to the trouble and expense of sending him to some of the Northern States? and if the schools of the lowest order were not generally taught by tyrannical old Englishmen? To remedy these evils, the friends of education have made, and are now making every effort to teach, within ourselves, every branch of education, from the lowest to the highest. We want our children taught within ourselves, without the introduction of teachers from the North or elsewhere; we want every child in the State taught at least a practical education.

There, sir, is another point of view in which I place this case. The bill before the Senate proposes to negotiate a loan, on the part of the State, to the amount of 400,000 dollars, for the purpose of enabling the State to take the reserved stock. If the question were new, the propriety of this measure might be questioned, as every Legislature should reserve to itself the right of declaring a forfeiture of every trust which it had created; and a State is delicately situated when she is called upon to sit in judgment upon her own partners in a fraud, and more especially when she has pocketed a share of the spoils of the fraud. I, further, doubt that system of political economy, of borrowing money to loan money, as applicable to individuals or States. But there is a point connected with this subject, about which none can doubt. It is the duty of the State to supply the citizens thereof with a sufficient circulating medium. In 1815, it was thought that the agricultural and commercial interests of the State required a capital of \$3,000,000. From an increased population, and of agricultural and commercial pursuits, that amount of capital is now more necessary than it was then; but do we find the capital increased? The two Banks intended to supply the citizens of the State with money, united, have a capital of only 2,900,000 dollars; of which sum there yet remains \$400,000 in stock to be taken, which leaves the actual amount in operation only \$1,900,000; by far too small. Suppose the State should be unable to negotiate a loan as proposed: the inevitable result is, that our own institutions have failed to supply us with a sufficient capital to answer the purposes of our people. This deficiency must be made up in the paper currency of other States. Thus it is self-evident, that we are made tributary to foreign Banks, over which we have no control, and into whose solvency or insolvency, we have no legitimate power to inquire. I am against this foreign tributary system; and to correct this evil, at least in part, we who oppose the bill before the Senate ask to let in the Literary Fund to the amount of \$50,000, and the University to the amount of \$150,000.—Both of these institutions tell us that they cannot, in a very short time (if permitted) pay up this amount. One of them has it already in hand. Should the Legislature grant this request, we at once have our circulating medium increased \$200,000, which, I trust, will send back that amount of paper currency to the Banks of South-Carolina, there to remain.

In conclusion, I cannot forbear to remark that the Legislature will be untrue to itself, untrue to the people, to drive any portion of its capital from the State, and to withhold a sufficient sound circulating medium from its citizens, at all times subject to the investigation of our Representatives.