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President's Message.

MESSAGE OF THE PRESIDENT OF THE U. STATES, TO THE TWO HOUSES OF CONGRESS, AT THE COMMENCEMENT OF THE SECOND SESSION OF THE TWENTY-SIXTH CONGRESS.

Fellow-citizens of the Senate
and House of Representatives:

Our devout gratitude is due to the Supreme Being for having graciously continued to our beloved country, through the vicissitudes of another year, the invaluable blessings of health, plenty and peace. Seldom has this favored land been so generally exempted from the ravages of disease, or the labor of the husbandman more amply rewarded; and never before have our relations with other countries been placed on a more favorable basis than that which they so happily occupy at this critical conjuncture in the affairs of the world. A rigid and persevering abstinence from all interference with the domestic and political relations of other States, alike due to the genius and distinctive character of our government and to the principles by which it is directed; a faithful observance, in the management of our foreign relations, of the practice of speaking plainly, dealing justly, and requiring truth and justice in return, as the best conservatives of the peace of nations; a strict impartiality in our manifestations of friendship, in the commercial privileges we concede, and those we require from others; these, accompanied by a disposition as prompt to maintain, in every emergency, our own rights, as we are from principle averse to the invasion of those of others, have given to our country and government a standing in the great family of nations, of which we have just cause to be proud, and the advantages of which are experienced by our citizens throughout every portion of the earth to which their enterprising and adventurous spirit may carry them. Few, if any, remain insensible to the value of our friendship, or ignorant of the terms on which it can be acquired, and by which it can alone be preserved.

A series of questions of long standing, difficult in their adjustment, and important in their consequences, in which the rights of our citizens and the honor of the country were deeply involved, have, in the course of a few years, (the most of them during the successful administration of my immediate predecessor,) been brought to a satisfactory conclusion; and the most important of those remaining are, I am happy to say, in a fair way of being speedily and satisfactorily adjusted.

With all the Powers of the world, our relations are those of honorable peace. Since your adjournment, nothing serious has occurred to interrupt or threaten this desirable harmony. If clouds have lowered above the other hemisphere, they have not cast their portentious shadows upon our happy shores. Bound by no entangling alliances, yet linked by a common nature and interest with the other nations of mankind, our aspirations are for the preservation of peace, in whose solid and civilizing triumphs all may participate with a generous emulation. Yet it behooves us to be prepared for any event, and to be always ready to maintain those just and enlightened principles of national intercourse, for which this government has ever contended. In the shock of contending empires, it is only by assuming a resolute bearing, and clothing themselves with defensive armor, that neutral nations can maintain their independent rights.

The excitement which grew out of the territorial controversy between the United States and Great Britain having in a great measure subsided, it is hoped that a favorable period is approaching for its final settlement. Both Governments must now be convinced of the dangers with which the question is fraught; and it must be their desire, as it is their interest, that this perpetual cause of irritation should be removed as speedily as practicable. In my last annual message you were informed that the proposition for a commission of exploration and survey promised by Great Britain, had been received, and that a counter-project, including also a provision for the certain and final adjustment of the limits in dispute, was then before the British Government for its consideration.

The answer of that Government, accompanied by additional propositions of its own, was received through its minister here since your separation.—These were promptly considered; such as were deemed correct in principle, and consistent with a due regard to the just rights of the United States, and of the state of Maine, concurred in; and the reasons for dissenting from the residue, with an additional suggestion on our part, communicated by the Secretary of State to Mr Fox. That minister, not feeling himself sufficiently instructed upon some of the points raised in the discussion, felt it to be his duty to refer the matter to his own Government for its final decision. Having now been for some time under its advisement, a speedy answer may be *confidently* expected. From the character of the points still in difference, and the undoubted disposition of both parties to bring the matter to an early conclusion, I look with entire confidence to a prompt and satisfactory termination of the negotiation. Three commissioners were appointed shortly after the adjournment of Congress, under the act of the last session, providing *for the exploration and survey of the line which* separates the states of Maine and New Hampshire from the British Provinces; they have been actively employed until their progress was interrupted by the inclemency of the season, and will resume their labors as soon as practicable in the ensuing year. It is understood that their respective examinations will throw new lights upon the subject in controversy, and serve to remove any erroneous impressions which may have been made elsewhere prejudicial to the United States. It was, among other reasons, with a view of preventing the embarrassments which, in our peculiar system of government, impede and complicate negotiations involving the territorial rights of a state, that I thought it my duty, as you have been informed, on a previous occasion, to propose to the British Government, through its minister at Washington, that early steps should be taken to adjust the points of difference on the line of boundary from the entrance of Lake Superior to the most northwestern point of the Lake of the Woods, by the arbitration of a friendly Power, in conformity with the seventh article of the treaty of Ghent. No answer has yet been returned by the British government to this proposition.

With Austria, France, Prussia, Russia, and the remaining Powers of Europe, I am happy to inform you, our relations continue to be of the most friendly character. With Belgium, a treaty of commerce and navigation, based upon liberal principles of reciprocity and equality, was concluded in March last, and, having been ratified by the Belgian government, will be duly laid before the Senate. It is a subject of congratulation that it provides for the satisfactory adjustment of a long standing question of controversy; thus removing the only obstacle which could obstruct the friendly and mutually advantageous intercourse between the two nations.

A messenger has been despatched with the Hanoverian treaty to Berlin, where, according to stipulation, the ratifications are to be exchanged. I am happy to announce to you that, after many delays and difficulties, a treaty of commerce and navigation between the United States and Portugal, was concluded and signed at Lisbon, on the 26th of August last, by the plenipotentiaries of the two governments. Its stipulations are founded upon those principles of mutual liberality and advantage which the United States have always sought to make the basis of their intercourse with foreign Powers, and it is hoped they will tend to foster and strengthen the commercial intercourse of the two countries.

Under the appropriation of the last session of Congress, an agent has been sent to Germany, for the purpose of promoting the interests of our tobacco trade.

The commissioners appointed under the convention for the adjustment of claims of citizens of the United States upon Mexico having met and organized at Washington, in August last, the papers in the possession of the Government, relating to those claims, were communicated to the board. The claims not embraced by that convention are now the subject of negotiation between the two Governments, through the medium of our minister at Mexico.

Nothing has occurred to disturb the harmony of our relations with the different Governments of South America. I regret, however, to be obliged to inform you that the claims of our citizens upon the late Republic of Colombia have not yet been satisfied by the separate Governments into which it has been resolved.

The charge d'affaires of Brazil having expressed the intention of his Government not to prolong the treaty of 1828, it will cease to be obligatory upon either party on the 12th day of December, 1841, when the extensive commercial intercourse between the United States and that vast empire will no longer be regulated by express stipulations.

It affords me pleasure to communicate to you that the Government of Chili has entered into an agreement to indemnify the claimants in the case of the Macedonian, for American property seized in 1819; and to add, that information has also been received which justifies the hope of an early adjustment of the remaining claims upon that Government.

The commissioners appointed in pursuance of the convention between the United States and Texas, for marking the boundary between them, have, according to the last report received from our commissioners, surveyed and established the whole extent of the boundary north along the western bank of the Sabine river, from its entrance into the Gulf of Mexico to the thirty-second degree of north latitude. The commission adjourned on the 16th of June last, to re-assemble on the 1st of November, for the purpose of establishing accurately the intersection of the thirty-second degree of latitude with the western bank of the Sabine, and the meridian line thence to Red river. It is presumed that the work will be concluded in the present season.

The present sound condition of their finances, and the success with which embarrassments in regard to them, at times apparently insurmountable, have been overcome, are matters upon which the people and Government of the United States may well congratulate themselves. An overflowing treasury, however it may be regarded as an evidence of public prosperity, is seldom conducive to the permanent welfare of any people; and experience has demonstrated its incompatibility with the salutary action of political institutions like those of the United States. Our safest reliance far financial efficiency and independence has on the contrary, been found to consist in ample resources unencumbered with debt; and, in this respect the Federal Government occupies a singularly fortunate and truly enviable position.

When I entered upon the discharge of my official duties in March, 1837, the act for the distribution of the surplus revenue was in a course of rapid execution. Nearly twenty-eight millions of dollars of the public moneys were, in pursuance of its provisions, deposited with the States in the months of January, April, and July of that year. In May, there occurred a general suspension of specie payments by the banks, including with very few exceptions, those in which the public money was deposited, and upon whose fidelity the Government had unfortunately made itself dependent for the revenues which had been collected from the people, and were indispensable to the public service.

This suspension, and the excesses in banking and commerce out of which it arose and which were greatly aggravated by its occurrence, made to a great extent unavailable, the principal part of the public money then on hand; suspended the collection of many millions accruing on merchants' bonds, and greatly reduced the revenue arising from customs and the public lands. These effects have continued to operate in various degrees, to the present period; and in addition to the decrease in the revenue thus produced, two and a half millions of duties have been relinquished by two biennial reductions under the act of 1833, and probably as much more upon the importation of iron for railroads, by special legislation.

Whilst such has been our condition for the last four years in relation to revenue, we have during the same period, been subjected to an unavoidable continuance of large extraordinary expense necessarily growing out of past transactions, and which could not be immediately arrested without great prejudice to the public interest. Of these the charge upon the Treasury, in consequence of the Cherokee treaty alone, without adverting to others arising out of Indian treaties, has already exceeded five milions of dollars; that for the prosecution of measures for the removal of the Seminole Indians, which were found in progress, has been nearly fourteen millions; and the public buildings have required the unusual sum of nearly three millions.

It affords me, however, great pleasure to be able to say, that, from the commencement of this period to the present day, every demand upon the government, at home or abroad, has been promptly met. This has been done, not only without creating a permanent debt, or a resort to additional taxation in any form, but in the midst of a steadily progressive reduction of existing burdens upon the people, leaving still a considerable balance of available funds which will remain in the Treasury at the end of the year. The small amount of Treasury notes, not exceeding four and a half millions of dollars, still outstanding, and less by twenty-three millions than the United States have in deposite with the States, is composed of such only as are not yet due, or have not yet been presented for payment. They may be redeemed out of the accruing revenue, if the expenditures do not exceed the amount within which they may, it is thought, be kept without prejudice to the public interest, and the revenue shall prove to be as large as may justly be anticipated.

Among the reflections arising from the contemplation of these circumstances, one, not the least gratifying, is the consciousness that the Government had the resolution and the ability to adhere, in every emergency, to the sacred obligations of law; to execute all its contracts according to the requirements of the constitution; and thus to present, when most needed, a rallying point by which the business of the whole country might be brought back to a safe and unvarying standard—a result vitally important as well to the interests as to the morals of the people.

There can surely now be no difference of opinion in regard to the incalculable evils that would have arisen if the government, at that critical moment, had suffered itself to be deterred from upholding the only true standard of value, either by the pressure of adverse circumstances or the violence of unmerited denunciation. The manner in which the people sustained the performance of this duty was highly honorable to their fortitude and patriotism. It cannot fail to stimulate their agents to adhere, under all circumstances, to the line of duty; and *to satisfy them of the safety with* which a course really right, and demanded by a financial crisis, may, in a community like ours, be pursued, however apparently severe its immediate operation.

The policy of the Federal Government, in extinguishing as rapidly as possible the national debt, and subsequently, in resisting every temptation to create a new one, deserves to be regarded in the same favorable light. Among the many objections to a national debt, the certain tendency of public securities to concentrate ultimately in the coffers of foreign stockholders, is one which is every day gathering strength. Already have the resources of many of the States, and the future industry of their citizens, been indefinitely mortgaged to the subjects of European Governments, to the amount of twelve millions annually, to pay the constantly accruing interest on borrowed money—a sum exceeding half the ordinary revenues of the whole United States. The pretext which this relation affords to foreigners to scrutinize the management of our domestic affairs, if not actually to intermeddle with them, presents a subject for earnest attention, not to say of serious alarm.

Fortunately, the Federal Government, with the exception of an obligation entered into in behalf of the District of Columbia, which must soon be discharged, is wholly exempt from any such embarrassment. It is also, as is believed, the only government which, having fully and faithfully paid all its creditors, has also relieved itself entirely from debt. To maintain a distinction so desirable, and so honorable to our national character, should be an object of earnest solicitude. Never should a free people, if it be possible to avoid it, expose themselves to the necessity of having to treat of the peace, the honor, or the safety of the Republic, with the governments of foreign creditors, who, however well disposed they may be to cultivate with us in general friendly relations, are nevertheless by the law of their own condition, made hostile to the success of permanency of political institutions like ours. Most humiliating may be the embarrassments consequent upon such a condition. Another objection, scarcely less formidable, to the commencement of a new debt, is its inevitable tendency to increase in magnitude, and to foster national extravagance.—He has been an unprofitable observer of events, who needs at this day to be admonished of the difficulties which a government, habitually dependent on loans to sustain its ordinary expenditures, has to encounter in resisting the influences continually exerted in favor of additional loans; by capitalists, who enrich themselves by government securities for amounts much exceeding the money they actually advance—a prolific source of individual aggrandizement in all borrowing countries; by stockholders, who seek their gains in the rise and fall of public stocks; and by the selfish importunities of applicants for appropriations for works avowedly for the accommodation of the public, but the real object of which are, too frequently, the advancement of private interests.

The known necessity which so many of the States will be under to impose taxes for the payment of the interest on their debts, furnishes an additional and very cogent reason why the Federal Government should refrain from creating a national debt, by which the people would be exposed to double taxation for a similar object. We possess within ourselves ample resources for every emergency; and we may be quite sure that our citizens, in no future exigency, will be unwilling to supply the government with all the means asked for the defence of the country. In time of peace there can, at all events, be no justification for the creation of a permanent debt by the Federal Government. Its limited range of constitutional duties may certainly, under such circumstances, be performed without such a resort. It has, it is seen, been avoided during four years of greater fiscal difficulties than have existed in a similar period since the adoption of the constitution, and one also remarkable for the occurrence of extraordinary causes of expenditures.

But to accomplish so desirable an object, two things are indispensable: first, that the action of the Federal Government be kept within the boundaries prescribed by its founders; and, secondly, that all appropriations for objects admitted to be constitutional, and the expenditure of them also, be subjected to a standard of rigid but well-considered and practical economy. The first depends chiefly on the people themselves, the opinions they form of the true construction, of the constitution, and the confidence they repose in the political sentiments of those they select as their representatives in the Federal Legislature; the second rests upon the fidelity with which their more immediate representatives, and other public functionaries, discharge the trusts committed to them.

The duty of economising the expenses of the public service is admitted on all hands; yet there are few subjects upon which there exists a wider difference of opinion than is constantly manifested in regard to the fidelity with which that duty is discharged. Neither diversity of sentiment, nor even mutual recriminations, upon a point in respect to which the public mind is so justly sensitive, can well be entirely avoided; and least so at periods of great political excitement. An intelligent people, however, seldom fail to arrive, in the end, at correct conclusions in such a matter. Practical economy in the management of public affairs can have no adverse influence to contend with more powerful than a large surplus revenue; and the unusually large appropriations for 1837 may, without doubt, independently of the extraordinary requisitions for the public service growing out of the state of our Indian relations, be, in no inconsiderable degree, traced to this source. The sudden and rapid distribution of the large surplus then in the Treasury, and the equally sudden and unprecedentedly severe revolution in the commerce and business of the country, pointing with unerring certainty to a great and protracted reduction of the revenue, strengthened the propriety of the earliest practicable reduction of the public expenditures.

But, to change a system operating upon so large a surface, and applicable to such numerous and diversified interests and objects, was more than the work of a day. The attention of every department of the government was immediately, and in good faith, directed to that end; and has been so continued to the present moment. The estimates and appropriations for the year 1838 (the first over which I had any control) were somewhat diminished.

The expenditures of 1839 were reduced six millions of dollars. Those of 1840, exclusive of disbursements for public debt and trust claims, will probably not exceed twenty-two and a half millions, being between two and three millions less than those of the preceding year, and nine or ten millions less than those of 1837. Nor has it been found necessary, in order to produce this result, to resort to the power conferred by Congress, of postponing certain classes of the public works, except by deferring expenditures for a short period upon a limited portion of them; and which postponement terminated some time since, at the moment the Treasury Department by further receipt from the indebted banks, fully assured of its ability to meet them without prejudice to the public service in other respects. Causes are in operation which will, it is believed, justify a still further reduction, without injury to any important national interest. The expenses of sustaining the troops employed in Florida have been gradually and greatly reduced, through the persevering efforts of the War Department, and a reasonable hope may be entertained that the necessity for military operations in that quarter will soon cease. The removal of the Indians from within our settled borders is nearly completed. The pension list, one of the heaviest charges upon the Treasury, is rapidly diminishing by death. The most costly of our public buildings are either finished, or nearly so, and we may, I think, safely promise ourselves a continual exemption from border difficulties.

The available balance in the Treasury on the 1st of January next is estimated at one million and a half of dollars. This sum, with the expected receipts from all sources during the next year, will, it is believed, be sufficient to enable the Government to meet every engagement, and leave a suitable balance in the Treasury at the end of the year, if the remedial measures connected with the customs and the public lands, heretofore recommended, shall be adopted, and the new appropriations by Congress shall not carry the expenditures beyond the official estimates.

The new system established by Congress for the safe keeping of the public money, prescribing the kind of currency to be received for the public revenue, and providing additional guards and securities against losses, has now been several months in operation. Although it might be premature, upon an experience of such limited duration, to form a definite opinion in regard to the extent of its influence in correcting many evils under which the Federal Government and the country have hitherto suffered—especially those that have grown out of banking expansions, a depreciated currency, and official defalcations; yet it is but right to say that nothing has occurred in the practical operation of the system to weaken in the slightest degree, but much to strengthen, the confident anticipations of its friends. The grounds of these have been heretofore so fully explained as to require no recapitulation. In respect to the fecility and convenience it affords in conducting the public service, and the ability of the Government to discharge through its agency every duty attendant on the collection, transfer and disbursement of the public money with promptitude and success, I can say, with confidence, that the apprehensions of those who felt it to be their duty to oppose its adoption have proved to be unfounded. On the contrary, this branch of the fiscal affairs of the Government has been, and it is believed may always be, thus carried on with every desirable fecility and security. A few changes and improvements in the details of the system, without affecting any principles involved in it, will be submitted to you by the Secretary of the Treasury, and will, I am sure receive at your hands that attention to which they may, on examination be found to be entitled.

I have deemed this brief summary of our fiscal affairs necessary to the due performance of a duty specially enjoined upon me by the constitution.

It will serve, also, to illustrate more fully the principles by which I have been guided in reference to two contested points in our public policy, which were earliest in their development, and have been more important in their consequences, than any that arose under our complicated and difficult yet admirable, system of Government: I allude to a national debt, and a national bank. It was in these that the political contests by which the country has been agitated ever since the adoption of the constitution, and in a great measure, originated; and there is too much reason to apprehend that the conflicting interests and opposing principles thus marshalled, will continue, as heretofore, to produce similar, if not aggravated, consequences.

Coming into office the declared enemy of both, I have earnestly endeavored to prevent a resort to either.

The consideration that a large public debt affords an apology, and produces in some degree, a necessity also for resorting to a system and extent of taxation not only oppressive throughout, but likewise, so apt to lead in the end, to the commission of that most odious of all offences against the principles of republican government—the prostitution of political power conferred for the general benefit to the aggrandizement of particular classes, and the gratification of individual cupidity—is alone sufficient, independently of the weighty objections which have already been urged, to render its creation and existence the sources of bitter and unappeasable discord.

If we add to this its inevitable tendency to produce and foster extravagant expenditures of the public money, by which a necessity is created for new loans and new burdens on the people; and finally, if we refer to the examples of every government which has existed, for proof how seldom it is that the system when once adopted and implanted in the policy of a country has failed to expand itself until public credit was exhausted, and the people were no longer able to endure its increasing weight, it seems impossible to resist the conclusion, that no benefits resulting from its career, no extent of conquest, no accession of wealth to particular classes, nor any, nor all its combined advantages can counterbalance its ultimate but certain results—a splendid government and an impoverished people.

If a national bank was, as is undeniable, repudiated by the framers of the constitution as incompatible with the rights of the States and the liberties of the people; if from the beginning it has been regarded by large portions of our citizens as coming in direct collision with that great and vital amendment of the constitution which declares that all powers not conferred by that instrument on the General Government are reserved to the States and to the people; if it has been viewed by them as the first great step in the march of latitudinous construction, which unchecked, would render that sacred instrument of as litttle value as an unwritten constitution, dependent, as it would alone be, for its meaning, on the interested interpretation of a dominant party, and affording no security to the rights of the minority; if such is undeniably the case, what rational grounds could have been conceived for anticipating aught but determined opposition to such an institution at the present day?

Could a different result have been expected, when the consequences which have flowed from its creation, and particularly from its struggles to perpetuate its existence, had confirmed, in so striking a manner, the apprehensions of its earliest opponents; when it had been so clearly demonstrated that a concentrated money power, wielding so vast a capital and combining such incalculable means of influence, may in those peculiar conjunctures to which this government is unavoidably exposed, prove an overmatch for the political power of the people themselves; when the true character of its capacity to regulate, according to its will and its interests, and the interests of its favorites, the value and production of the labor and property of every man in this extended country, had been so fully and so fearfully developed; when it was notorious that all classes of this great community had by means of the power and influence it thus possesses, been infected to madness with a spirit of heedless speculation; when it had been seen that, secure in the support of the combination of influence by which it was surrounded, it could violate its charter and set at defiance the laws with impunity; and when, too, it had become most apparent that to believe that such an accumulation of powers can ever be granted without the certainty of being abused, was to indulge in a fatal delusion?

To avoid the necessity of a permanent debt and its inevitable consequences, I have advocated and endeavored to carry into effect the policy of confining the appropriations for the public service to such objects only as are clearly within the constitutional authority of the Federal Government; of excluding from its expenses those improvident and unauthorized grants of public money for works of internal improvement which were so wisely arrested by the constitutional interposition of my predecessor, and which if they had not been so checked, would long before this time have involved the finances of the General Government in embarrassments far greater than those which are now experienced by any of the States; of limiting all our expenditures to that simple, unostentatious, and economical administration of public affairs, which is alone consistent with the character of our institutions; of collecting annually from the customs, and the sales of public lands, a revenue fully adequate to defray all the expenses thus incurred, but under no pretence whatever, to impose taxes upon the people to a greater amount than was actually necessary to the public service, conducted upon the principles I have stated.

In lieu of a national bank, or a dependence on banks of any description, for the management of our fiscal affairs, I recommended the adoption of the system which is now in successful operation. That system affords every requisite facility for the transaction of the pecuniary concerns of the Government; will, it is confidently anticipated, produce in other respects many of the benefits which have been from time to time expected from the creation of a national bank, but which have never been realized; avoid the manifold evils inseparable from such an institution; diminish to a greater extent than could be accomplished by any other measure of reform, the patronage of the Federal Government—a wise policy in all Governments, but more especially so in one like ours, which works well only in proportion as it is made to rely for its support upon the unbiassed and unadulterated opinions of its constituents; do away forever *all dependance on corporate bodies*, either in the raising, collecting, safe keeping or disbursing the public revenues; and place the government equally *above the temptation of fostering* a dangerous and unconstitutional institution at home, or the necessity of adapting its policy to the views and interests of a still more formidable money power abroad.

It is by adopting and carrying out these principles, under circumstances the most arduous and discouraging, that the attempt has been made, thus far successfully, to demonstrate to the people of the United States, that a national bank at all times, and national debt, except it be incurred at a period when *the honor and safety of the nation* demand the temporary sacrifice of a policy which should only be abandoned in such exigencies, are not merely unnecessary, but in direct and deadly hostility to the principles of their government, and to their own permanent welfare.

The progress made in the developement of these positions appears in the preceding sketch of the past history and present state of the financial concerns of the Federal Government. The facts there stated fully authorize the assertion, that all the purposes for which this Government was instituted, have been accomplished during four years of greater pecuniary embarrassment than were ever before experienced in time of peace, and in the face *of opposition as formidable as* any that was ever before arrayed against the policy of an administration: that this has been done when the *ordinary revenues of the government* were generally decreasing, as well from the operation of the laws, as the condition of the country; without the creation of a permanent public debt, or incurring any liability, other than such as the ordinary re*sources of the Government will speedily discharge*, and without the agency of a national bank.

If this view of the proceedings of the govern*ment for the period it embraces*, be warranted by the facts as they are known to exist: if the army and navy have been sustained to the full extent authorized by law, and which Congress deemed sufficient for the defence of the country and the protection of its rights and its honor; if its civil and diplomatic service has been equally sustained; if ample provision has been made for the administration of justice and the execution of the laws; if the claims upon public gratitude in behalf of the soldiers of the Revolution have been promptly *met*, and faithfully discharged; if there have been no failures in defraying the very large expenditures growing out of that long continued and salutary policy of peacefully removing the Indians *to regions of comparative safety* and prosperity; if the public faith has at all times and every where been most scrupulously maintained by a prompt discharge of the numerous, extended and diversified claims on *the Treasury*;—if all these great and permanent objects, with many others that might be stated, have for a series of years, marked *by peculiar obstacles and difficulties*, been successfully accomplished without a resort to a permanent debt, or the aid of a national bank, have we not a right to expect that a policy, she object of which has been to sustain the *public service* independently of either of these fruitful sources of discord, will receive the final sanction of a people whose unbiassed and fairly elicited judgment upon public affairs is *never ultimately wrong*?

That embarrassments in the pecuniary concerns of individuals, of unexampled extent and duration, have recently *existed in this as in other commercial* nations is undoubtedly true. To suppose it necessary now to trace these reverses to their sources, would be a reflection on the intelligence of my fellow-citizens. Whatever may have been the obscurity in which this subject was involved during the earlier stages of the revulsion, there cannot now be many by whom the whole question is not fully understood.

Not deeming it within the constitutional powers of the General Government to repair private losses sustained by reverses in business having no connexion with the public service either by direct appropriations from the Treasury, or by special legislation designed to secure exclusive privileges or immunities to individuals or classes in preference to, and at the expense of, the great majority necessarily debarred from any participation in them, no attempt to do so has been either made, recommended, or encouraged by the present Executive.

It is believed, however, that the great purposes for the attainment of which the Federal Government was instituted have not been lost sight of.—Intrusted only with certain limited powers, cautiously enumerated, distinctly specified, and defined with a precision and clearness which would seem to defy misconstruction, it has been my constant aim to confine myself within the limits so clearly marked out, and so carefully guarded.

Having always been of opinion that the best preservative of the Union of the States is to be found in a total abstinence from the exercise of all doubtful powers on the part of the Federal Government, rather than by attempts to assume them by a loose construction of the constitution, or an ingenious perversion of its words, I have endeavored to avoid recommending any measure which I had reason to apprehend would even in the opinion of a considerable minority of my fellow-citizens, be regarded as trenching on the rights of the States, or the provisions of the hallowed instrument of our Union. Viewing the aggregate powers of the Federal Government as a voluntary concession of the States, it seemed to me that such only should be exercised as were at the time intended to be given.

I have been strengthened, too, in the propriety of this course, by the conviction that all efforts to go beyond this, tend only to produce dissatisfaction and distrust, to excite jealousies, and to provoke resistance. Instead of adding strength to the Federal Government, even when successful, they must ever prove a source of incurable weakness, by alienating a portion of those whose adhesion is indispensable to the great aggregate of united strength, and whose voluntary attachment is, in my estimation, far more essential to the efficiency of a government strong in the best of all possible strength—the confidence and attachment of all those who make up its constituent elements.

Thus believing, it has been my purpose to secure to the whole people, and to every member of the confederacy, by general, salutary, and equal laws alone, the benefit of those republican institutions which it was the end and aim of the constitution to establish, and the impartial influence of which is, in my judgment, indespensable to their preservation. I cannot bring myself to believe that the lasting happiness of the people, the prosperity of the States, or the permanency of their Union, can be maintained by giving preference or priority to any class of citizens in the distribution of benefits or privileges, or by the adoption of measures which enrich one portion of the Union at the expense of another; nor can I see in the interference of the Federal Government with the local legislation and reserved rights of the States a remedy for present, or a security against future, dangers.

The first, and assuredly not the least, important step towards relieving the country from the condition into which it had been plunged by excesses in trade, banking, and credits of all kinds, was to place the business transactions of the Government itself on a solid basis; giving and receiving in all cases value for value, and neither countenancing nor encouraging in others that delusive system of credits from which it has been found so difficult to escape, and which has left nothing behind it but the wrecks which mark its fatal career.

That the financial affairs of the government are now, and have been during the whole period of these wide-spreading difficulties, conducted with a strict and invariable regard to this great and fundamental principle, and that by the assumption and strict maintenance of the stand thus taken on the very threshold of the approaching crisis, more than by any other cause or causes whatever, the community at large has been shielded from the incalculable evils of a general and indefinite suspension of specie payments, and a consequent annihilation, for the whole period it might have lasted, of a just and invariable standard of value, will, it is believed, at this period, scarcely be questioned.

A steady adherence, on the part of the Government, to the policy which has produced such salutary results, aided by judicious State legislation, and, what is not less important, by the industry, enterprise, perseverance, and economy of the American people, cannot fail to raise the whole country, at an early period, to a state of solid and enduring prosperity, not subject to be again overthrown by the suspension of banks or the explosion of a bloated credit system. It is for the people, and their representatives, to decide whether or not the permanent welfare of the country (which all good citizens equally desire, however widely they may differ as to the means of its accomplishment,) shall be in this way secured; or whether the management of the pecuniary concerns of the Government, and, by consequence, to a great extent, those of individuals also, shall be carried back to a condition of things which fostered those contractions and expansions of the currency, and those reckless abuses of credit, from the baleful effects of which the country has so deeply suffered—a return that can promise in the end, no better results than to reproduce the embarrassments the Government has experienced; and to remove from the shoulders of the present, to those of fresh victims, the bitter fruits of that spirit of speculative enterprise to which our countrymen are so liable, and upon which the lessons of experience are so unavailing. The choice is an important one, and I sincerely hope that it may be wisely made.

A report from the Secretary of War, presenting a detailed view of the affairs of that department, accompanies this communication.

The desultory duties connected with the removal of the Indians, in which the army has been constantly engaged on the northern and western frontiers, and in Florida, have rendered it impracticable to carry into full effect the plan recommended by the Secretary for improving its discipline. In every instance where the regiments have been concentrated, they have made great progress; and the best results may be anticipated from a continuance of this system. During the last season, a part of the troops have been employed in removing Indians from the interior to the territory assigned them in the west—a duty which they have performed efficiently, and with praiseworthy humanity; and that portion of them which has been stationed in Florida continued active operations there throughout the heats of summer.

The policy of the United States in regard to the Indians, of which a sucinct account is given in my message of 1838, and of the wisdom and expediency of which I am fully satisfied, has been continued in active operation thoughout the whole period of my administration. Since the spring of 1837, more than forty thousand Indians have been removed to their new homes west of the Mississippi; and I am happy to add, that all accounts concur in representing the result of this measure as eminently beneficial to that people.

The emigration of the Seminoles alone has been attended with serious difficulty, and occasioned bloodshed; hostilities having been commenced by the Indians in Florida, under the apprehension that they would be compelled, by force, to comply with their treaty stipulations. The execution of the treaty of Payne's Landing, signed in 1832, but not ratified until 1834, was postponed, at the solicitation of the Indians, until 1836, when they again renewed the agreement to remove peaceably to their new homes in the west.

In the face of this solemn and renewed compact, they broke their faith, and commenced hostilities by the massacre of Major Dade's command, the murder of their agent, General Thompson, and other acts of cruel treachery. When this alarming and unexpected intelligence reached the seat of Government, every effort appears to have been made to reinforce General Clinch, who commanded the troops then in Florida. General Eustis was despatched with reinforcements from Charleston; troops were called out from Alabama, Tennessee, and Georgia; and General Scott was sent to take the command, with ample powers and ample means. At the first alarm, General Gains organized a force at New Orleans, and, without waiting for orders, landed in Florida, where he delivered over the troops he had brought with him to General Scott.

Governor Call was subsequently appointed to conduct a summer compaign, and at the close of it, was replaced by General Jesup. These events and changes took place under the administration of my predecessor.

Nothwithstanding the exertions of the experienced officers who had command there for eighteen months, on entering upon the administration of the Government I found the Territory of Florida a prey to Indian atrocities. A strenuous effort was immediately made to bring these hostilities to a close; and the Army, under General Jesup, was reinforced until it amounted to ten thousand men, and furnished with abundant supplies of every description. In this compaign a great number of the enemy were captured and destroyed; but the character of the contest only was changed. The Indians, having been defeated in every engagement, dispersed in small bands throughout the country, and became an enterprising, formidable, and ruthless banditti. General Taylor, who succeeded General Jesup used his best exertions to subdue them, and was seconded in his efforts by the officers under his command; but he, too, failed to protect the Territory from their depredations. By an act of signal and cruel treachery, they broke the truce made with them by General Macomb, who was sent from Washington for the purpose of carrying into effect the expressed wishes of Congress, and have continued their devastations ever since.

General Armistead, who was in Florida when General Taylor left the army, by permission, assumed the command, and, after active summer operations, was met by propositions for peace; and, from the fortunate coincidence of the arrival in Florida, at the same period, of a delegation from the Seminoles who are happily settled west of the Mississippi, and are now anxious to persuade their countrymen to join them there,—hopes were for some time entertained that the Indians might be induced to leave the Territory without further difficulty. These hopes have proved fallacious, and hostilities have been renewed throughout the whole of the Territory. That this contest has endured so long, is to be attributed to causes beyond the control of the Government. Experienced generals have had the command of the troops; officers and soldiers have alike distinguished themselves for their activity, patience, and enduring courage; the army has been constantly furnished with supplies of every description; and we must look for the causes which have so long procrastinated the issue of the contest, in the vast extent of the theatre of hostilities, the almost insurmountable obstacles presented by the nature of the country, the climate, and the wily character of the savages.

The sites for marine hospitals on the rivers and lakes, which I was authorized to select and cause to be purchased, have all been designated; but, the appropriation not proving sufficient, conditional arrangements only have been made for their acquisition. It is for congress to decide whether those conditional purchases shall be sanctioned, and the humane intentions of the law be carried into full effect.

The navy, as will appear from the accompanying report of the Secretary, has been usefully and honorably employed in the protection of our commerce and citizens in the Mediterranean, the Pacific, on the coast of Brazil, and in the Gulf of Mexico. A small squadron, consisting of the frigate Constellation and the sloop-of-war Boston, under Com. Kearney, is now on its way to the China and Indian seas for the purpose attending to our interests in that quarter; and Commander Aulick, in the sloop-of-war Yorktown, has been instructed to visit the Sandwich and Society Islands, the coasts of New Zealand and Japan, together with other ports and islands frequented by our whale-ships, for the purpose of giving them countenance and protection, should they be required.—Other smaller vessels have been, and still are, employed in prosecuting the surveys of the coast of the United States, directed by various acts of Congress; and those which have been completed will shortly be laid before you.

The exploring expedition, at the latest date, was preparing to leave the Bay of Islands, New Zealand, in further prosecution of objects which have thus far, been successfully accomplished. The discovery of a new continent by Lieutenants Wilkes and Hudson, for an extent of eighteen hundred miles, but on which they were prevented from landing by vast bodies of ice which encompassed it, is one of the honorable results of the enterprise. Lieut. Wilkes bears testimony to the zeal and good conduct of his officers and men; and it is but justice to that officer to state that he appears to have performed the duties assigned him with an ardor, ability and perseverance, which give every assurance of an honorable issue to the undertaking.

The report of the Postmaster General, herewith transmitted, will exhibit the service of that department the past year, and its present condition. The transportation has been maintained during the year to the full extent authorised by the existing laws; some improvements have been effected, which the public interest seemed urgently to demand, but not involving any material additional expenditure; the contractors have generally performed their engagements with fidelity; the postmasters, with few exceptions, have rendered their accounts and paid their quarterly balances with promptitude; and the whole service of the department has maintained the efficiency for which it has for several years been distinguished.

The acts of Congress establishing new mail routes, and requiring more expensive services on others, and the increasing wants of the country, have, for three years past, carried the expenditures something beyond the accruing revenues; the excess having been met, until the past year, by the surplus which had previously accumulated. That surplus having been exhausted, and the anticipated increase of the revenue not having been realized, owing to the depression in the commercial business of the country, the finances of the department exhibit a small deficiency at the close of the last fiscal year. Its resources, however, are ample; and the reduced rates of compensation for the transportation service, which may be expected on the future lettings, from the general reduction of prices, with the increase of revenue that may reasonably be anticipated from the revival of commercial activity, must soon place the finances of the department in a prosperous condition.

Considering the unfavorable circumstances which have existed during the past year, it is a gratifying result that the revenue has not declined, as compared with the preceding year, but, on the contrary, exhibits a small increase, the circumstances referred to having had no other effect than to check the expected income.

It will be seen that the Postmaster General suggests certain improvements in the establishment, designed to reduce the weight of the mails, cheapen the transportation, ensure greater regularity in the service, and secure a considerable reduction in the rates of letter-postage—an object highly desirable. The subject is one of general interest to the community, and is respectfully recommended to your consideration.

The suppression of the African slave trade has received the continued attention of the Government. The brig Dolphin and the schooner Grampus have been employed during the last season on the coast of Africa, for the purpose of preventing such portions of that trade as was said to be prosecuted under the American flag. After cruising off those parts of the coast most usually resorted to by slavers, until the commencement of the rainy season, those vessels returned to the United States for supplies, and have since been despatched on a ssmilar service.

From the reports of the commanding officers, it appears that the trade is now principally carried on under Portuguese colors; and they express the opinion that the apprehension of their presence on the slave coast has, in a great degree, arrested the prostitution of the American flag to this inhuman purpose. It is hoped that, by continuing to maintain this force in that quarter, and by the exertions of the officers in command, much will be done to put a stop to whatever portion of this traffic may have been carried on under the American flag, and to prevent its use in a trade which, while it violates the law, is equally an outrage on the rights of others and the feelings of humanity.

The efforts of the several Governments who are anxiously seeking to suppress this traffic must, however, be directed against the facilities afforded by what are now recognized as legitimate commercial pursuits, before that object can be fully accomplished. Supplies of provision, water-casks, merchandise, and articles connected with the prosecution of the slave trade, are, it is understood, freely carried by vessels of different nations to the slave factories; and the effects of the factors are transported openly from one slave station to another, without interruption or punishment by either of the nations to which they belong, engaged in the commerce of that region. I submit to your judgements whether this Government, having been the first to prohibit, by adequate penalties, the slave trade—the first to declare it piracy—should not be the first also, to forbid to its citizens all trade with the slave factories on the coasts of Africa, giving an example to all nations in this respect, which, if fairly followed, cannot fail to produce the most effective results in breaking up those dens of iniquity.

M. VAN BUREN.

WASHINGTON, DECEMBER 5, 1840.

North Carolina.

OFFICIAL

1840.	President Nov. Har.	V. B.	Governor, Aug. (W.)	(L. F.)
Anson,	1194	395	1100	422
Ashe,	578	460	501	534
Beaufort,	961	309	846	363
Bertie,	496	385	483	468
Bladen,	346	414	329	451
Brunswick,	350	230	352	247
Buncombe & Henderson,	1436	452	1335	547
Burke,	1623	309	1555	367
Cabarrus,	891	354	840	395
Camden,	612	100	526	91
Carteret,	454	186	442	287
Caswell,	276	1169	270	1137
Chatham,	1127	568	1075	603
Chowan,	330	158	292	203
Columbus,	204	315	242	288
Craven,	666	540	671	643
Cumberland,	612	950	621	952
Curritick,	142	468	90	525
Cherokee,	414	113	292	130
Davidson,	140	390	1409	470
Duplin,	250	806	234	766
Edgecombe,	135	1374	111	1298
Franklin,	374	689	383	656
Gates,	378	328	381	392
Granville,	933	778	873	760
Greene,	297	215	308	258
Guilford,	2300	414	2211	469
Halifax,	604	356	622	446
Haywood,	431	221	438	242
Hertford,	396	199	394	231
Hyde,	431	89	485	179
Iredell,	1780	328	1678	331
Johnson,	597	549	569	617
Jones,	243	132	212	121
Lenoir,*			265	386
Lincoln,	1000	1958	933	2056
Martin,	291	596	244	574
Mecklenburg,	1000	1246	984	1201
Montgomery,	1136	105	1102	163
Moore,	529	495	560	517
Macon,	433	168	431	208
Nash,	78	797	73	782
New Hanover,	293	1042	220	899
Northampton,	550	383	543	519
Onslow,	143	690	150	683
Orange,	1639	1448	1662	1549
Pasquotank,	693	149	660	222
Perquimons,	596	134	494	124
Person,	214	597	274	553
Pitt,	627	391	625	519
Randolph,	1344	269	1287	346
Richmond,	820	102	672	79
Rowan & Davie,	1630	725	1622	874
Robeson,	579	506	601	568
Rockingham,	547	905	533	1000
Rutherford,	1802	540	1652	546
Sampson,	553	741	472	723
Stokes,	1212	1061	1163	1190
Surry,	1191	812	1130	984
Tyrrell,	380	83	422	44
Wake,	1026	1149	1030	1157
Warren,	105	754	88	705
Washington,	432	54	379	95
Wayne,	306	731	262	777
Wilkes,	1450	114	1424	128
Yancey,	415	290	392	417
	46,376	33,782	44,508	36,428
	33,782		36,428	
Har. maj.	12,594		8,080	
Morehead's	8,080			
Har. gain,	4,514			

* Returns not received.

Louisiana.

OFFICIAL.

	Harrison.	Van Buren.
Plaquamine,	40	250
St. Bernard,	173	91
Orleans,	2681	1748
Jefferson,	252	86
St. Charles,	69	33
St. John the Baptist	133	45
St. James,	379	37
Ascension,	218	218
Assumption,	289	340
Lafourche interior,	538	44
Terrebonae,	313	20
Iberville,	204	182
West Baton Rouge,	183	84
East Baton Rouge,	324	208
East Feliciana,	360	430
West Feliciana,	253	286
St. Helena,	172	238
Livingston,	127	207
Washington,	150	134
St. Tammany,	204	80
Point Coupee,	147	139
St. Martin,	463	103
St. Mary,	308	87
Layfayette (no returns)	—	—
St. Landry & Calcaisien,	836	434
Avoyelles,	250	205
Rapides,	475	382
Natchitoches & Caddo,	667	610
Claiborne (no returns)	—	—
Ouachita,	243	130
Union,	74	76
Caldwell (no returns)	—	—
Catahaula,	259	231
Concordia,	269	113
Madison,	147	111
Carroll,	96	111
	11,296	7,596
	7,596	
Harrison's majority,	3,700	

IMMIGRATION.—The Report of the Harbour Commissioners of New York states that the number of passengers at that port from foreign ports, from the 1st of January to the 1st of November 1840, a period of ten months, is fifty-seven thousand nine hundred and nine.

The process of immigration is now conducted with more system than formerly. There are so many Europeans already settled in this country that an extensive correspondence is kept up between them and their friends and relatives on the other side of the water—so that preparatory arrangements are made, and locations selected, in a multitude of cases, for those who now swell the current of emigration. The New York Courier mentions an instance in which an entire community, including the spiritual pastor and persons of all trades, came over together and quietly took up their residence on the Ohio.

The introduction of steamers upon the ocean on the great lines of communication between this country and Europe, has been too recent to cause any sensible change in the average of emigration. The expenses of passage are yet too high to allow the new mode of transportation to be generally available to the great mass of emigrants. But if it should happen in the course of time that the application of steam should be extended to the ordinary class of trading vessels, we might expect to witness, in connection with that event, a great increase of emigration from Europe to the United States.

Great Britain is endeavoring to direct the course of emigration from England, Ireland and Scotland to her distant colonies in New South Wales, the West Indies and the British Provinces of North America. It is probable that her policy in this particular will lessen the number that would otherwise come from that quarter to the United States. But Germany has her multitudes to send forth and she has no foreign colonies to receive them. The immigration into this country from Germany has been steadily increasing of late years, and it will probably go on to increase. They are mostly an industrious, honest and quiet people. Some of them bring with them considerable amounts in gold and silver wherewith to purchase lands in the West, and it generally happens that they are particularly successful in securing choice ground.—Baltimore American.