Second Annual Message to Congress

given on December 3, 1838

Fellow-Citizens of the Senate and House of Representatives:

I congratulate you on the favorable circumstances in the condition of our country under which you reassemble for the performance of your official duties. Though the anticipations of an abundant harvest have not everywhere been realized, yet on the whole the labors of the husbandman are rewarded with a bountiful return; industry prospers in its various channels of business and enterprise; general health again prevails through our vast diversity of climate; nothing threatens from abroad the continuance of external peace; nor has anything at home impaired the strength of those fraternal and domestic ties which constitute the only guaranty to the success and permanency of our happy Union, and which, formed in the hour of peril, have hitherto been honorably sustained through every vicissitude in our national affairs. These blessings, which evince the care and beneficence of Providence, call for our devout and fervent gratitude.

We have not less reason to be grateful for other bounties bestowed by the same munificent hand, and more exclusively our own.

The present year closes the first half century of our Federal institutions, and our system, differing from all others in the acknowledged practical and unlimited operation which it has for so long a period given to the sovereignty of the people, has now been fully tested by experience.

The Constitution devised by our forefathers as the framework and bond of that system, then untried, has become a settled form of government; not only preserving and protecting the great principles upon which it was rounded, but wonderfully promoting individual happiness and private interests. Though subject to change and entire revocation whenever deemed inadequate to all these purposes, yet such is the wisdom of its construction and so stable has been the public sentiment that it remains unaltered except in matters of detail comparatively unimportant. It has proved amply sufficient for the various emergencies incident to our condition as a nation. A formidable foreign war; agitating collisions between domestic, and in some respects rival, sovereignties; temptations to interfere in the intestine commotions of neighboring countries; the dangerous influences that arise in periods of excessive prosperity, and the antirepublican tendencies of associated wealth--these, with other trials not less formidable, have all been encountered, and thus far successfully resisted.

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It was reserved for the American Union to test the advantages of a government entirely dependent on the continual exercise of the popular will, and our experience has shown that it is as beneficent in practice as it is just in theory. Each successive change made in our local institutions has contributed to extend the right of suffrage, has increased the direct influence of the mass of the community, given greater freedom to individual exertion, and restricted more and 35 more the powers of Government; yet the intelligence, prudence, and patriotism of the people have kept pace with this augmented responsibility. In no country has education been so widely diffused. Domestic peace has nowhere so largely reigned. The close bonds of social intercourse have in no instance prevailed with such harmony over a space so vast. All forms of religion have united for the first time to diffuse charity and piety, because for the first time in the history of nations all have been totally untrammeled and absolutely free. The deepest recesses of the wilderness have 40 been penetrated; yet instead of the rudeness in the social condition consequent upon such adventures elsewhere, numerous communities have sprung up, already unrivaled in prosperity, general intelligence, internal tranquillity, and the wisdom of their political institutions. Internal improvement, the fruit of individual enterprise, fostered by the protection of the States, has added new links to the Confederation and fresh rewards to provident industry. Doubtful questions of domestic policy have been quietly settled by mutual forbearance, and agriculture, commerce, and 45 manufactures minister to each other. Taxation and public debt, the burdens which bear so heavily upon all other countries, have pressed with comparative lightness upon us. Without one entangling alliance, our friendship is prized by every nation, and the rights of our citizens are everywhere respected, because they are known to be guarded by a united, sensitive, and watchful people.

50 To this practical operation of our institutions, so evident and successful, we owe that increased attachment to them which is among the most cheering exhibitions of popular sentiment and will prove their best security in time to come against foreign or domestic assault.

This review of the results of our institutions for half a century, without exciting a spirit of vain exultation, should serve to impress upon us the great principles from which they have sprung--constant and direct supervision by the people over every public measure. strict forbearance on the part of the Government from exercising any doubtful or disputed powers, and a cautious abstinence from all interference with concerns which properly belong and are best left to State regulations and individual enterprise.

60 Full information of the state of our foreign affairs having been recently on different occasions submitted to Congress, I deem it necessary now to bring to your notice only such events as have subsequently occurred or are of such importance as to require particular attention.

The most amicable dispositions continue to be exhibited by all the nations with whom the Government and citizens of the United States have an habitual intercourse. At the date of my last annual message Mexico was the only nation which could not be included in so gratifying a reference to our foreign relations.

I am happy to be now able to inform you that an advance has been made toward the adjustment of our differences with that Republic and the restoration of the customary good feeling between the two nations. This important change has been effected by conciliatory negotiations that have resulted in the conclusion of a treaty between the two Governments, which, when ratified, will refer to the arbitrament of a friendly power all the subjects of controversy between us growing out of injuries to individuals. There is at present also reason to believe that an equitable settlement of all disputed points will be attained without further difficulty or unnecessary delay, and thus authorize the free resumption of diplomatic intercourse with our sister Republic.

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With respect to the northeastern boundary of the United States, no official correspondence between this Government and that of Great Britain has passed since that communicated to Congress toward the close of their last session. The offer to negotiate a convention for the appointment of a joint commission of survey and exploration I am, however, assured will be met by Her Majesty's Government in a conciliatory and friendly spirit, and instructions to enable the British minister here to conclude such an arrangement will be transmitted to him without needless delay. It is hoped and expected that these instructions will be of a liberal character, and that this negotiation, if successful, will prove to be an important step toward the satisfactory and final adjustment of the controversy.

I had hoped that the respect for the laws and regard for the peace and honor of their own country which have ever characterized the citizens of the United States would have prevented any portion of them from using any means to promote insurrection in the territory of a power with which we are at peace, and with which the United States are desirous of maintaining the most friendly relations. I regret deeply, however, to be obliged to inform you that this has not been the case. Information has been given to me, derived from official and other sources, that many citizens of the United States have associated together to make hostile incursions from our territory into Canada and to aid and abet insurrection there, in violation of the obligations and laws of the United States and in open disregard of their own duties as citizens. This information has been in part confirmed by a hostile invasion actually made by citizens of the United States, in conjunction with Canadians and others, and accompanied by a forcible seizure of the property of our citizens and an application thereof to the prosecution of military operations against the authorities and people of Canada.

The results of these criminal assaults upon the peace and order of a neighboring country have been, as was to be expected, fatally destructive to the misguided or deluded persons engaged in them and highly injurious to those in whose behalf they are professed to have been undertaken. The authorities in Canada, from intelligence received of such intended movements among our citizens, have felt themselves obliged to take precautionary measures against them; have actually embodied the militia and assumed an attitude to repel the invasion to which they believed the colonies were exposed from the United States. A state of feeling on both sides of the frontier has thus been produced which called for prompt and vigorous interference. If an insurrection existed in Canada, the amicable dispositions of

the United States toward Great Britain, as well as their duty to themselves, would lead them to maintain a strict neutrality and to restrain their citizens from all violations of the laws which have been passed for its enforcement. But this Government recognizes a still higher obligation to repress all attempts on the part of its citizens to disturb the peace of a country where order prevails or has been reestablished. Depredations by our citizens upon nations at peace with the United States, or combinations for committing them, have at all times been regarded by the American Government and people with the greatest abhorrence. Military incursions by our citizens into countries so situated, and the commission of acts of violence on the members thereof, in order to effect a change in their government, or under any pretext whatever, have from the commencement of our Government been held equally criminal on the part of those engaged in them, and as much deserving of punishment as would be the disturbance of the public peace by the perpetration of similar acts within our own territory.

By no country or persons have these invaluable principles of international law--principles the strict observance of 115 which is so indispensable to the preservation of social order in the world--been more earnestly cherished or sacredly respected than by those great and good men who first declared and finally established the independence of our own country. They promulgated and maintained them at an early and critical period in our history; they were subsequently embodied in legislative enactments of a highly penal character, the faithful enforcement of which has hitherto been, and will, I trust, always continue to be, regarded as a duty inseparably associated with the maintenance of our national 120 honor. That the people of the United States should feel an interest in the spread of political institutions as free as they regard their own to be is natural, nor can a sincere solicitude for the success of all those who are at any time in good faith struggling for their acquisition be imputed to our citizens as a crime. With the entire freedom of opinion and an undisguised expression thereof on their part the Government has neither the right nor, I trust, the disposition to interfere. But whether the interest or the honor of the United States requires that they should be made a party to any 125 such struggle, and by inevitable consequence to the war which is waged in its support, is a question which by our Constitution is wisely left to Congress alone to decide. It is by the laws already made criminal in our citizens to embarrass or anticipate that decision by unauthorized military operations on their part. Offenses of this character, in addition to their criminality as violations of the laws of our country, have a direct tendency to draw down upon our own citizens at large the multiplied evils of a foreign war and expose to injurious imputations the good faith and honor 130 of the country. As such they deserve to be put down with promptitude and decision. I can not be mistaken, I am confident, in counting on the cordial and general concurrence of our fellow-citizens in this sentiment. A copy of the proclamation which I have felt it my duty to issue is herewith communicated. I can not but hope that the good sense and patriotism, the regard for the honor and reputation of their country, the respect for the laws which they have themselves enacted for their own government, and the love of order for which the mass of our people have been so 135 long and so justly distinguished will deter the comparatively few who are engaged in them from a further prosecution of such desperate enterprises. In the meantime the existing laws have been and will continue to be faithfully executed, and every effort will be made to carry them out in their full extent. Whether they are sufficient or not to meet the actual state of things on the Canadian frontier it is for Congress to decide.

140 It will appear from the correspondence herewith submitted that the Government of Russia declines a renewal of the fourth article of the convention of April, 1824, between the United States and His Imperial Majesty, by the third article of which it is agreed that "hereafter there shall not be formed by the citizens of the United States or under the authority of the said States any establishment upon the northwest coast of America, nor in any of the islands adjacent, to the north of 54° 40' of north latitude, and that in the same manner there shall be none formed by Russian subjects or under the authority of Russia south of the same parallel;" and by the fourth article, "that during a term of ten years, counting from the signature of the present convention, the ships of both powers, or which belong to their citizens or subjects, respectively, may reciprocally frequent, without any hindrance whatever, the interior seas, gulfs, harbors, and creeks upon the coast mentioned in the preceding article, for the purpose of fishing and trading with the natives of the country." The reasons assigned for declining to renew the provisions of this article are, briefly, that the only use made by our citizens of the privileges it secures to them has been to supply the Indians with spirituous liquors, ammunition, and firearms; that this traffic has been excluded from the Russian trade; and as the supplies furnished from the United States are injurious to the Russian establishments on the northwest coast and calculated to produce complaints between the two Governments, His Imperial Majesty thinks it for the interest of both countries not to accede to the proposition made by the American Government for the renewal of the article last referred to.

The correspondence herewith communicated will show the grounds upon which we contend that the citizens of the United States have, independent of the provisions of the convention of 1824, a right to trade with the natives upon the coast in question at unoccupied places, liable, however, it is admitted, to be at any time extinguished by the creation of

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Russian establishments at such points. This right is denied by the Russian Government, which asserts that by the operation of the treaty of 1824 each party agreed to waive the general right to land on the vacant coasts on the respective sides of the degree of latitude referred to, and accepted in lieu thereof the mutual privileges mentioned in the fourth article. The capital and tonnage employed by our citizens in their trade with the northwest coast of America will, perhaps, on adverting to the official statements of the commerce and navigation of the United States for the last few years, be deemed too inconsiderable in amount to attract much attention; yet the subject may in other respects deserve the careful consideration of Congress.

I regret to state that the blockade of the principal ports on the eastern coast of Mexico, which, in consequence of differences between that Republic and France, was instituted in May last, unfortunately still continues, enforced by a competent French naval armament, and is necessarily embarrassing to our own trade in the Gulf, in common with that of other nations. Every disposition, however, is believed to exist on the part of the French Government to render this measure as little onerous as practicable to the interests of the citizens of the United States and to those of neutral commerce, and it is to be hoped that an early settlement of the difficulties between France and Mexico will soon reestablish the harmonious relations formerly subsisting between them and again open the ports of that Republic to the vessels of all friendly nations.

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A convention for marking that part of the boundary between the United States and the Republic of Texas which extends from the mouth of the Sabine to the Red River was concluded and signed at this city on the 25th of April last. It has since been ratified by both Governments, and seasonable measures will be taken to carry it into effect on the part of the United States.

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The application of that Republic for admission into this Union, made in August, 1837, and which was declined for reasons already made known to you, has been formally withdrawn, as will appear from the accompanying copy of the note of the minister plenipotentiary of Texas, which was presented to the Secretary of State on the occasion of the exchange of the ratifications of the convention above mentioned.

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Copies of the convention with Texas, of a commercial treaty concluded with the King of Greece, and of a similar treaty with the Peru-Bolivian Confederation, the ratifications of which have been recently exchanged, accompany this message, for the information of Congress and for such legislative enactments as may be found necessary or expedient in relation to either of them.

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To watch over and foster the interests of a gradually increasing and widely extended commerce, to guard the rights of American citizens whom business or pleasure or other motives may tempt into distant climes, and at the same time to cultivate those sentiments of mutual respect and good will which experience has proved so beneficial in international intercourse, the Government of the United States has deemed it expedient from time to time to establish diplomatic connections with-different foreign states, by the appointment of representatives, to reside within their respective territories. I am gratified to be enabled to announce to you that since the close of your last session these relations have been opened under the happiest auspices with Austria and the Two Sicilies, that new nominations have been made in the respective missions of Russia, Brazil, Belgium, and Sweden and Norway in this country, and that a minister extraordinary has been received, accredited to this Government, from the Argentine Confederation.

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An exposition of the fiscal affairs of the Government and of their condition for the past year will be made to you by the Secretary of the Treasury.

The available balance in the Treasury on the 1st of January next is estimated at \$2,765,342. The receipts of the year from customs and lands will probably amount to \$20,615,598. These usual sources of revenue have been increased by an issue of Treasury notes, of which less than \$8,000,000, including interest and principal, will be outstanding at the end of the year, and by the sale of one of the bonds of the Bank of the United States for \$2,254,871. The aggregate of means from these and other sources, with the balance on hand on the 1st of January last, has been applied to the payment of appropriations by Congress. The whole expenditure for the year on their account, including the redemption of more than eight millions of Treasury notes, constitutes an aggregate of about \$40,000,000, and will still leave in the Treasury the balance before stated.

Nearly \$8,000,000 of Treasury notes are to be paid during the coming year in addition to the ordinary appropriations for the support of Government. For both these purposes the resources of the Treasury will undoubtedly be sufficient if the charges upon it are not increased beyond the annual estimates. No excess, however, is likely to exist. Nor can the postponed installment of the surplus revenue be deposited with the States nor any considerable appropriations beyond the estimates be made without causing a deficiency in the Treasury. The great caution, advisable at all times, of limiting appropriations to the wants of the public service is rendered necessary at present by the prospective and rapid reduction of the tariff, while the vigilant jealousy evidently excited among the people by the occurrences of the last few years assures us that they expect from their representatives, and will sustain them in the exercise of, the most rigid economy. Much can be effected by postponing appropriations not immediately required for the ordinary public service or for any pressing emergency, and much by reducing the expenditures where the entire and immediate accomplishment of the objects in view is not indispensable.

When we call to mind the recent and extreme embarrassments produced by excessive issues of bank paper, aggravated by the unforeseen withdrawal of much foreign capital and the inevitable derangement arising from the distribution of the surplus revenue among the States as required by Congress, and consider the heavy expenses incurred by the removal of Indian tribes, by the military operations in Florida, and on account of the unusually large appropriations made at the last two annual sessions of Congress for other objects, we have striking evidence in the present efficient state of our finances of the abundant resources of the country to fulfill all its obligations. Nor is it less gratifying to find that the general business of the community, deeply affected as it has been, is reviving with additional vigor, chastened by the lessons of the past and animated by the hopes of the future. By the curtailment of paper issues, by curbing the sanguine and adventurous spirit of speculation, and by the honorable application of all available means to the fulfillment of obligations, confidence has been restored both at home and abroad, and ease and facility secured to all the operations of trade.

The agency of the Government in producing these results has been as efficient as its powers and means permitted. By withholding from the States the deposit of the fourth installment, and leaving several millions at long credits with the banks, principally in one section of the country, and more immediately beneficial to it, and at the same time aiding the banks and commercial communities in other sections by postponing the payment of bonds for duties to the amount of between four and five millions of dollars; by an issue of Treasury notes as a means to enable the Government to meet the consequences of their indulgences, but affording at the same time facilities for remittance and exchange; and by steadily declining to employ as general depositories of the public revenues, or receive the notes of, all banks which refused to redeem them with specie--by these measures, aided by the favorable action of some of the banks and by the support and cooperation of a large portion of the community, we have witnessed an early resumption of specie payments in our great commercial capital, promptly followed in almost every part of the United States. This result has been alike salutary to the true interests of agriculture, commerce, and manufactures; to public morals, respect for the laws, and that confidence between man and man which is so essential in all our social relations.

250 The contrast between the suspension of 1814 and that of 1837 is most striking. The short duration of the latter, the prompt restoration of business, the evident benefits resulting from an adherence by the Government to the constitutional standard of value instead of sanctioning the suspension by the receipt of irredeemable paper, and the advantages derived from the large amount of specie introduced into the country previous to 1837 afford a valuable illustration of the true policy of the Government in such a crisis. Nor can the comparison fail to remove the impression 255 that a national bank is necessary in such emergencies. Not only were specie payments resumed without its aid, but exchanges have also been more rapidly restored than when it existed, thereby showing that private capital, enterprise, and prudence are fully adequate to these ends. On all these points experience seems to have confirmed the views heretofore submitted to Congress. We have been saved the mortification of seeing the distresses of the community for the third time seized on to fasten upon the country so dangerous an institution, and we may also hope that the business 260 of individuals will hereafter be relieved from the injurious effects of a continued agitation of that disturbing subject. The limited influence of a national bank in averting derangement in the exchanges of the country or in compelling the resumption of specie payments is now not less apparent than its tendency to increase inordinate speculation by sudden expansions and contractions; its disposition to create panic and embarrassment for the promotion of its own designs; its interference with politics, and its far greater power for evil than for good, either in regard to the local institutions or 265 the operations of Government itself. What was in these respects but apprehension or opinion when a national bank was first established now stands confirmed by humiliating experience. The scenes through which we have passed conclusively prove how little our commerce, agriculture, manufactures, or finances require such an institution, and

what dangers are attendant on its power--a power, I trust, never to be conferred by the American people upon their Government, and still less upon individuals not responsible to them for its unavoidable abuses.

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My conviction of the necessity of further legislative provisions for the safe-keeping and disbursement of the public moneys and my opinion in regard to the measures best adapted to the accomplishment of those objects have been already submitted to you. These have been strengthened by recent events, and in the full conviction that time and experience must still further demonstrate their propriety I feel it my duty, with respectful deference to the conflicting views of others, again to invite your attention to them.

With the exception of limited sums deposited in the few banks still employed under the act of 1836, the amounts received for duties, and, with very inconsiderable exceptions, those accruing from lands also, have since the general suspension of specie payments by the deposit banks been kept and disbursed by the Treasurer under his general legal powers, subject to the superintendence of the Secretary of the Treasury. The propriety of defining more specifically and of regulating by law the exercise of this wide scope of Executive discretion has been already submitted to Congress.

A change in the office of collector at one of our principal ports has brought to light a defalcation of the gravest character, the particulars of which will be laid before you in a special report from the Secretary of the Treasury. By his report and the accompanying documents it will be seen that the weekly returns of the defaulting officer apparently exhibited throughout a faithful administration of the affairs intrusted to his management. It, however, now appears that he commenced abstracting the public moneys shortly after his appointment and continued to do so, progressively increasing the amount, for the term of more than seven years, embracing a portion of the period during which the public moneys were deposited in the Bank of the United States, the whole of that of the State bank deposit system, and concluding only on his retirement from office, after that system had substantially failed in consequence of the suspension of specie payments.

The way in which this defalcation was so long concealed and the steps taken to indemnify the United States, as far as practicable, against loss will also be presented to you. The ease is one which imperatively claims the attention of Congress and furnishes the strongest motive for the establishment of a more severe and secure system for the safe-keeping -and disbursement of the public moneys than any that has heretofore existed.

It seems proper, at all events, that by an early enactment similar to that of other countries the application of public money by an officer of Government to private uses should be made a felony and visited with severe and ignominious punishment. This is already in effect the law in respect to the Mint, and has been productive of the most salutary results. Whatever system is adopted, such an enactment would be wise as an independent measure, since much of the public moneys must in their collection and ultimate disbursement pass twice through the hands of public officers, in whatever manner they are intermediately kept. The Government, it must be admitted, has been from its commencement comparatively fortunate in this respect. But the appointing power can not always be well advised in its selections, and the experience of every country has shown that public officers are not at all times proof against temptation. It is a duty, therefore, which the Government owes, as well to the interests committed to its care as to the officers themselves, to provide every guard against transgressions of this character that is consistent with reason and humanity. Congress can not be too jealous of the conduct of those who are intrusted with the public money, and I shall at all times be disposed to encourage a watchful discharge of this duty.

If a more direct cooperation on the part of Congress in the supervision of the conduct of the officers intrusted with the custody and application of the public money is deemed desirable, it will give me pleasure to assist in the establishment of any judicious and constitutional plan by which that object may be accomplished. You will in your wisdom determine upon the propriety of adopting such a plan and upon the measures necessary to its effectual execution. When the late Bank of the United States was incorporated and made the depository of the public moneys, a right was reserved to Congress to inspect at its pleasure, by a committee of that body, the books and the proceedings of the bank. In one of the States, whose banking institutions are supposed to rank amongst the first in point of stability, they are subjected to constant examination by commissioners appointed for that purpose, and much of the success of its banking system is attributed to this watchful supervision.

The same course has also, in view of its beneficial operation, been adopted by an adjoining State, favorably known for the care it has always bestowed upon whatever relates to its financial concerns. I submit to your consideration whether a committee of Congress might not be profitably employed in inspecting, at such intervals as might be deemed proper, the affairs and accounts of officers intrusted with the custody of the public moneys. The frequent performance of this duty might be made obligatory on the committee in respect to those officers who have large sums in their possession, and left discretionary in respect to others. They might report to the Executive such defalcations as were found to exist, with a view to a prompt removal from office unless the default was satisfactorily accounted for, and report also to Congress, at the commencement of each session, the result of their examinations and proceedings. It does appear to me that with a subjection of this class of public officers to the general supervision of the Executive, to examinations by a committee of Congress at periods of which they should have no previous notice, and to prosecution and punishment as for felony for every breach of trust, the safe-keeping of the public moneys might under the system proposed be placed on a surer foundation than it has ever occupied since the establishment of the Government.

335 The Secretary of the Treasury will lay before you additional information containing new details on this interesting subject. To these I ask your early attention. That it should have given rise to great diversity of opinion can not be a subject of surprise. After the collection and custody of the public moneys had been for so many years connected with and made subsidiary to the advancement of private interests, a return to the simple self-denying ordinances of the Constitution could not but be difficult. But time and free discussion, eliciting the sentiments of the people, and aided 340 by that conciliatory spirit which has ever characterized their course on great emergencies, were relied upon for a satisfactory settlement of the question. Already has this anticipation, on one important point at least--the impropriety of diverting public money to private purposes--been fully realized. There is no reason to suppose that legislation upon that branch of the subject would now be embarrassed by a difference of opinion, or fail to receive the cordial support of a large majority of our constituents.

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The connection which formerly existed between the Government and banks was in reality injurious to both, as well as to the general interests of the community at large. It aggravated the disasters of trade and the derangements of commercial intercourse, and administered new excitements and additional means to wild and reckless speculations, the disappointment of which threw the country into convulsions of panic, and all but produced violence and bloodshed. The imprudent expansion of bank credits, which was the natural result of the command of the revenues of the State, furnished the resources for unbounded license in every species of adventure, seduced industry from its regular and salutary occupations by the hope of abundance without labor, and deranged the social state by tempting all trades and professions into the vortex of speculation on remote contingencies.

The same wide-spreading influence impeded also the resources of the Government, curtailed its useful operations, embarrassed the fulfillment of its obligations, and seriously interfered with the execution of the laws. Large appropriations and oppressive taxes are the natural consequences of such a connection, since they increase the profits of those who are allowed to use the public funds, and make it their interest that money should be accumulated and expenditures multiplied. It is thus that a concentrated money power is tempted to become an active agent in political affairs; and all past experience has shown on which side that influence will be arrayed. We deceive ourselves if we suppose that, it will ever be found asserting and supporting the rights of the community at large in opposition to the claims of the few.

In a government whose distinguishing characteristic should be a diffusion and equalization of its benefits and burdens the advantage of individuals will be augmented at the expense of the community at large. Nor is it the nature of combinations for the acquisition of legislative influence to confine their interference to the single object for which they were originally formed. The temptation to extend it to other matters is, on the contrary, not unfrequently too strong to be resisted. The rightful influence in the direction of public affairs of the mass of the people is therefore in no slight danger of being sensibly and injuriously affected by giving to a comparatively small but very efficient class a direct and exclusive personal interest in so important a portion of the legislation of Congress as that which relates to the custody of the public moneys. If laws acting upon private interests can not always be avoided, they should be confined within the narrowest limits, and left wherever possible to the legislatures of the States. When not thus restricted they lead to combinations of powerful associations, foster an influence necessarily selfish, and turn the fair course of legislation to sinister ends rather than to objects that advance public liberty and promote the general good.

The whole subject now rests with you, and I can not but express a hope that some definite measure will be adopted at the present session.

It will not, I am sure, be deemed out of place for me here to remark that the declaration of my views in opposition to 380 the policy of employing banks as depositories of the Government funds can not justly be construed as indicative of hostility, official or personal, to those institutions; or to repeat in this form and in connection with this subject opinions which I have uniformly entertained and on all proper occasions expressed. Though always opposed to their creation in the form of exclusive privileges, and, as a State magistrate, aiming by appropriate legislation to secure the community against the consequences of their occasional mismanagement, I have yet ever wished to see them 385 protected in the exercise of rights conferred by law, and have never doubted their utility when properly managed in promoting the interests of trade, and through that channel the other interests of the community. To the General Government they present themselves merely as State institutions, having no necessary connection with its legislation or its administration. Like other State establishments, they may be used or not in conducting the affairs of the Government, as public policy and the general interests of the Union may seem to require. The only safe or proper 390 principle upon which their intercourse with the Government can be regulated is that which regulates their intercourse with the private citizen--the conferring of mutual benefits. When the Government can accomplish a financial operation better with the aid of the banks than without it, it should be at liberty to seek that aid as it would the services of a private banker or other capitalist or agent, giving the preference to those who will serve it on the best terms. Nor can there ever exist an interest in the officers of the General Government, as such, inducing them to embarrass or annoy 395 the State banks any more than to incur the hostility of any other class of State institutions or of private citizens. It is not in the nature of things that hostility to these institutions can spring from this source, or any opposition to their course of business, except when they themselves depart from the objects of their creation and attempt to usurp powers not conferred upon them or to subvert the standard of value established by the Constitution. While opposition to their regular operations can not exist in this quarter, resistance to any attempt to make the Government dependent upon 400 them for the successful administration of public affairs is a matter of duty, as I trust it ever will be of inclination, no matter from what motive or consideration the attempt may originate.

It is no more than just to the banks to say that in the late emergency most of them firmly resisted the strongest temptations to extend their paper issues when apparently sustained in a suspension of specie payments by public opinion, even though in some cases invited by legislative enactments. To this honorable course, aided by the resistance of the General Government, acting in obedience to the Constitution and laws of the United States, to the introduction of an irredeemable paper medium, may be attributed in a great degree the speedy restoration of our currency to a sound state and the business of the country to its wonted prosperity.

410 The banks have but to continue in the same safe course and be content in their appropriate sphere to avoid all interference from the General Government and to derive from it all the protection and benefits which it bestows on other State establishments, on the people of the States, and on the States themselves. In this, their true position, they can not but secure the confidence and good will of the people and the Government, which they can only lose when, leaping from their legitimate sphere, they attempt to control the legislation of the country and pervert the operations of the Government to their own purposes.

Our experience under the act, passed at the last session, to grant preemption rights to settlers on the public lands has as yet been too limited to enable us to pronounce with safety upon the efficacy of its provisions to carry out the wise and liberal policy of the Government in that respect. There is, however, the best reason to anticipate favorable results from its operation. The recommendations formerly submitted to you in respect to a graduation of the price of the public lands remain to be finally acted upon. Having found no reason to change the views then expressed, your attention to them is again respectfully requested.

Every proper exertion has been made and will be continued to carry out the wishes of Congress in relation to the tobacco trade, as indicated in the several resolutions of the House of Representatives and the legislation of the two branches. A favorable impression has, I trust, been made in the different foreign countries to which particular attention has been directed; and although we can not hope for an early change in their policy, as in many of them a convenient and large revenue is derived from monopolies in the fabrication and sale of this article, yet, as these monopolies are



really injurious to the people where they are established, and the revenue derived from them may be less injuriously and with equal facility obtained from another and a liberal system of administration, we can not doubt that our efforts will be eventually crowned with, success if persisted in with temperate firmness and sustained by prudent legislation.

In recommending to Congress the adoption of the necessary provisions at this session for taking the next census or enumeration of the inhabitants of the United States, the suggestion presents itself whether the scope of the measure might not be usefully extended by causing it to embrace authentic statistical returns of the great interests specially intrusted to or necessarily affected by the legislation of Congress.

The accompanying report of the Secretary of War presents a satisfactory account of the state of the Army and of the several branches of the public service confided to the superintendence of that officer.

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The law increasing and organizing the military establishment of the United States has been nearly carried into effect, and the Army has been extensively and usefully employed during the past season.

I would again call to your notice the subjects connected with and essential to the military defenses of the country which were submitted to you at the last session, but which were not acted upon, as is supposed, for want of time. The most important of them is the organization of the militia on the maritime and inland frontiers. This measure is deemed important, as it is believed that it will furnish an effective volunteer force in aid of the Regular Army, and may form the basis of a general system of organization for the entire militia of the United States. The erection of a national foundry and gunpowder manufactory, and one for making small arms, the latter to be situated at some point west of the Allegany Mountains, all appear to be of sufficient importance to be again urged upon your attention.

The plan proposed by the Secretary of War for the distribution of the forces of the United States in time of peace is well calculated to promote regularity and economy in the fiscal administration of the service, to preserve the discipline of the troops, and to render them available for the maintenance of the peace and tranquillity of the Country. With this view, likewise, I recommend the adoption of the plan presented by that officer for the defense of the western frontier. The preservation of the lives and property of our fellow-citizens who are settled upon that border country, as well as the existence of the Indian population, which might be tempted by our want of preparation to rush on their own destruction and attack the white settlements, all seem to require that this subject should be acted upon without delay, and the War Department authorized to place that country in a state of complete defense against any assault from the numerous and warlike tribes which are congregated on that border.

It affords me sincere pleasure to be able to apprise you of the entire removal of the Cherokee Nation of Indians to their new homes west of the Mississippi. The measures authorized by Congress at its last session, with a view to the long-standing controversy with them, have had the happiest effects. By an agreement concluded with them by the commanding general in that country, who has performed the duties assigned to him on the occasion with commendable energy and humanity, their removal has been principally under the conduct of their own chiefs, and they have emigrated without any apparent reluctance.

The successful accomplishment of this important object, the removal also of the entire Creek Nation with the exception of a small number of fugitives amongst the Seminoles in Florida, the progress already made toward a speedy completion of the removal of the Chickasaws, the Choctaws, the Pottawatamies, the Ottawas, and the Chippewas, with the extensive purchases of Indian lands during the present year, have rendered the speedy and successful result of the long-established policy of the Government upon the subject of Indian affairs entirely certain. The occasion is therefore deemed a proper one to place this policy in such a point of view as will exonerate the Government of the United States from the undeserved reproach which has been cast upon it through several successive Administrations. That a mixed occupancy of the same territory by the white and red man is incompatible with the safety or happiness of either is a position in respect to which there has long since ceased to be room for a difference of opinion. Reason and experience have alike demonstrated its impracticability. The bitter fruits of every attempt heretofore to overcome the barriers interposed by nature have only been destruction, both physical and moral, to the Indian, dangerous conflicts of authority between the Federal and State Governments, and detriment to the individual prosperity of the citizen as well as to the general improvement of the country. The remedial policy, the

principles of which were settled more than thirty years ago under the Administration of Mr. Jefferson, consists in an extinction, for a fair consideration, of the title to all the lands still occupied by the Indians within the States and Territories of the United States; their removal to a country west of the Mississippi much more extensive and better adapted to their condition than that on which they then resided; the guarantee to them by the United States of their exclusive possession of that country forever, exempt from all intrusions by white men, with ample provisions for their security against external violence and internal dissensions, and the extension to them of suitable facilities for their advancement in civilization. This has not been the policy of particular Administrations only, but of each in succession since the first attempt to carry it out under that of Mr. Monroe. All have labored for its accomplishment, only with different degrees of success. The manner of its execution has, it is true, from time to time given rise to conflicts of opinion and unjust imputations; but in respect to the wisdom and necessity of the policy itself there has not from the beginning existed a doubt in the mind of any calm, judicious, disinterested friend of the Indian race accustomed to reflection and enlightened by experience.

495 Occupying the double character of contractor on its own account and guardian for the parties contracted with, it was hardly to be expected that the dealings of the Federal Government with the Indian tribes would escape misrepresentation. That there occurred ill the early settlement of this country, as in all others where the civilized race has succeeded to the possessions of the savage, instances of oppression and fraud on the part of the former there is too much reason to believe. No such offenses can, however, be justly charged upon this Government since it became free 500 to pursue its own course. Its dealings with the Indian tribes have been just and friendly throughout; its efforts for their civilization constant, and directed by the best feelings of humanity; its watchfulness in protecting them from individual frauds unremitting; its forbearance under the keenest provocations, the deepest injuries, and the most flagrant outrages may challenge at least a comparison with any nation, ancient or modern, in similar circumstances; and if in future times a powerful, civilized, and happy nation of Indians shall be found to exist within the limits of this 505 northern continent it will be owing to the consummation of that policy which has been so unjustly assailed. Only a very brief reference to facts in confirmation of this assertion can in this form be given, and you are therefore necessarily referred to the report of the Secretary of War for further details. To the Cherokees, whose case has perhaps excited the greatest share of attention and sympathy, the United States have granted in fee, with a perpetual guaranty of exclusive and peaceable possession, 13,554,135 acres of land on the west side of the Mississippi, eligibly situated, 510 in a healthy climate, and in all respects better suited to their condition than the country they have left, in exchange for only 9,492, 160 acres on the east side of the same river. The United States have in addition stipulated to pay them \$5,600,000 for their interest in and improvements on the lands thus relinquished, and \$1,160,000 for subsistence and other beneficial purposes, thereby putting it in their power to become one of the most wealthy and independent separate communities of the same extent in the world.

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By the treaties made and ratified with the Miamies, the Chippewas, the Sioux, the Sacs and Foxes, and the Winnebagoes during the last year the Indian title to 18,458,000 acres has been extinguished. These purchases have been much more extensive than those of any previous year, and have, with other Indian expenses, borne very heavily upon the Treasury. They leave, however, but a small quantity of unbought Indian lands within the States and 520 Territories, and the Legislature and Executive were equally sensible of the propriety of a final and more speedy extinction of Indian titles within those limits. The treaties, which were with a single exception made in pursuance of previous appropriations for defraying the expenses, have subsequently been ratified by the Senate, and received the sanction of Congress by the appropriations necessary to carry them into effect. Of the terms upon which these important negotiations were concluded I can speak from direct knowledge, and I feel no difficulty in affirming that the 525 interest of the Indians in the extensive territory embraced by them is to be paid for at its fair value, and that no more favorable terms have been granted to the United States than would have been reasonably expected in a negotiation with civilized men fully capable of appreciating and protecting their own rights. For the Indian title to 116,349,897 acres acquired since the 4th of March, 1829, the United States have paid \$72,560,056 in permanent annuities, lands, reservations for Indians, expenses of removal and subsistence, merchandise, mechanical and agricultural 530 establishments and implements. When the heavy expenses incurred by the United States and the circumstance that so large a portion of the entire territory will be forever unsalable are considered, and this price is compared with that for which the United States sell their own lands, no one can doubt that justice has been done to the Indians in these purchases also. Certain it is that the transactions of the Federal Government with the Indians have been uniformly characterized by a sincere and paramount desire to promote their welfare; and it must be a source of the highest 535 gratification to every friend to justice and humanity to learn that not withstanding the obstructions from time to time thrown in its way and the difficulties which have arisen from the peculiar and impracticable nature of the Indian character, the wise, humane, and undeviating policy of the Government in this the most difficult of all our relations, foreign or domestic, has at length been justified to the world in its near approach to a happy and certain

The condition of the tribes which occupy the country set apart for them in the West is highly prosperous, and encourages the hope of their early civilization. They have for the most part abandoned the hunter state and turned their attention to agricultural pursuits. All those who have been established for any length of time in that fertile region maintain themselves by their own industry. There are among them traders of no inconsiderable capital, and planters 545 exporting cotton to some extent, but the greater number are small agriculturists, living in comfort upon the produce of their farms. The recent emigrants, although they have in some instances removed reluctantly, have readily acquiesced in their unavoidable destiny. They have found at once a recompense for past sufferings and an incentive to industrious habits in the abundance and comforts around them. There is reason to believe that all these tribes are friendly in their feelings toward the United States; and it is to be hoped that the acquisition of individual wealth, the pursuits of 550 agriculture, and habits of industry will gradually subdue their warlike propensities and incline them to maintain peace among themselves. To effect this desirable object the attention of Congress is solicited to the measures recommended by the Secretary of War for their future government and protection, as well from each other as from the hostility of the warlike tribes around them and the intrusions of the whites. The policy of the Government has given them a permanent home and guaranteed to them its peaceful and undisturbed possession. It only remains to give them a 555 government and laws which will encourage industry and secure to them the rewards of their exertions. The importance of some form of government can not be too much insisted upon. The earliest effects will be to diminish the causes and occasions for hostilities among the tribes, to inspire an interest in the observance of laws to which they will have themselves assented, and to multiply the securities of property and the motives for self-improvement. Intimately connected with this subject is the establishment of the military defenses recommended by the Secretary of War, which 560 have been already referred to. Without them the Government will be powerless to redeem its pledge of protection to the emigrating Indians against the numerous warlike tribes that surround them and to provide for the safety of the frontier settlers of the bordering States.

The case of the Seminoles constitutes at present the only exception to the successful efforts of the Government to remove the Indians to the homes assigned them west of the Mississippi. Four hundred of this tribe emigrated in 1836 and 1,500 in 1837 and 1838, leaving in the country, it is supposed, about 2,000 Indians. The continued treacherous conduct of these people; the savage and unprovoked murders they have lately committed, butchering whole families of the settlers of the Territory without distinction of age or sex, and making their way into the very center and heart of the country, so that no part of it is free from their ravages; their frequent attacks on the light-houses along that 570 dangerous coast, and the barbarity with which they have murdered the passengers and crews of such vessels as have been wrecked upon the reefs and keys which border the Gulf, leave the Government no alternative but to continue the military operations against them until they are totally expelled from Florida. There are other motives which would urge the Government to pursue this course toward the Seminoles. The United States have fulfilled in good faith all their treaty stipulations with the Indian tribes, and have in every other instance insisted upon a like performance of 575 their obligations. To relax from this salutary rule because the Seminoles have maintained themselves so long in the territory they had relinquished, and in defiance of their frequent and solemn engagements still continue to wage a ruthless war against the United States, would not only evince a want of constancy on our part, but be of evil example in our intercourse with other tribes. Experience has shown that but little is to be gained by the march of armies through a country so intersected with inaccessible swamps and marshes, and which, from the fatal character of the 580 climate, must be abandoned at the end of the winter. I recommend, therefore, to your attention the plan submitted by the Secretary of War in the accompanying report, for the permanent occupation of the portion of the Territory freed from the Indians and the more efficient protection of the people of Florida from their inhuman warfare.

From the report of the Secretary of the Navy herewith transmitted it will appear that a large portion of the disposable naval force is either actively employed or in a state of preparation for the purposes of experience and discipline and the protection. of our commerce. So effectual has been this protection that so far as the information of Government extends not a single outrage has been attempted on a vessel carrying the flag of the United States within the present year, in any quarter, however distant or exposed.

The exploring expedition sailed from Norfolk on the 19th of August last, and information has been received of its safe arrival at the island of Madeira. The best spirit animates the officers and crews, and there is every reason to anticipate from its efforts results beneficial to commerce and honorable to the nation.



It will also be seen that no reduction of the force now in commission is contemplated. The unsettled state of a portion of South America renders it indispensable that our commerce should receive protection in that quarter; the vast and increasing interests embarked in the trade of the Indian and China seas, in the whale fisheries of the Pacific Ocean, and in the Gulf of Mexico require equal attention to their safety, and a small squadron may be employed to great advantage on our Atlantic coast in meeting sudden demands for the reenforcement of other stations, in aiding merchant vessels in distress, in affording active service to an additional number of officers, and in visiting the different ports of the United States, an accurate knowledge of which is obviously of the highest importance.

The attention of Congress is respectfully called to that portion of the report recommending an increase in the number of smaller vessels, and to other suggestions contained in that document. The rapid increase and wide expansion of our commerce, which is every day seeking new avenues of profitable adventure; the absolute necessity of a naval force for its protection precisely in the degree of its extension; a due regard to the national rights and honor; the recollection of its former exploits, and the anticipation of its future triumphs whenever opportunity presents itself, which we may rightfully indulge from the experience of the past--all seem to point to the Navy as a most efficient arm of our national defense and a proper object of legislative encouragement.

The progress and condition of the Post-Office Department will be seen by reference to the report of the Postmaster-General. The extent of post-roads covered by mail contracts is stated to be 134,818 miles, and the annual transportation upon them 34,580,202 miles. The number of post-offices in the United States is 12,553, and rapidly increasing. The gross revenue for the year ending on the 30th day of June last was \$4,262,145; the accruing expenditures, \$4,680,068; excess of expenditures, \$417,923. This has been made up out of the surplus previously on hand. The cash on hand on the 1st instant was \$314,068. The revenue for the year ending June 30, 1838, was \$161,540 more than that for the year ending June 30, 1837. The expenditures of the Department had been graduated upon the anticipation of a largely increased revenue. A moderate curtailment of mail service consequently became necessary, and has been effected, to shield the Department against the danger of embarrassment. Its revenue is now improving, and it will soon resume its onward course in the march of improvement.

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Your particular attention is requested to so much of the Postmaster-Generals report as relates to the transportation of the mails upon railroads. The laws on that subject do not seem adequate to secure that service, now become almost essential to the public interests, and at the same time protect the Department from combinations and unreasonable demands.

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Nor can I too earnestly request your attention to the necessity of providing a more secure building for this Department. The danger of destruction to which its important books and papers are continually exposed, as well from the highly combustible character of the building occupied as from that of others in the vicinity, calls loudly for prompt action.

630 Your attention is again earnestly invited to the suggestions and recommendations submitted at the last session in respect to the District of Columbia.

I feel it my duty also to bring to your notice certain proceedings at law which have recently been prosecuted in this District in the name of the United States, on the relation of Messrs. Stockton & Stokes, of the State of Maryland, against the Postmaster-General, and which have resulted in the payment of money out of the National Treasury, for the first time since the establishment of the Government, by judicial compulsion exercised by the common-law writ of mandamus issued by the circuit court of this District.

The facts of the case and the grounds of the proceedings will be found fully stated in the report of the decision, and any additional information which you may desire will be supplied by the proper Department. No interference in the particular case is contemplated. The money has been paid, the claims of the prosecutors have been satisfied, and the whole subject, so far as they are concerned, is finally disposed of; but it is on the supposition that the case may be regarded as an authoritative exposition of the law as it now stands that I have thought it necessary to present it to your consideration.

The object of the application to the circuit court was to compel the Postmaster-General to carry into effect an award made by the Solicitor of the Treasury, under a special act of Congress for the settlement of certain claims of the relators on the Post-Office Department, which award the Postmaster-General declined to execute in full until he should receive further legislative direction on the subject. If the duty imposed on the Postmaster-General by that law 650 was to be regarded as one of an official nature, belonging to his office as a branch of the executive, then it is obvious that the constitutional competency of the judiciary to direct and control him in its discharge was necessarily drawn in question; and if the duty so imposed on the Postmaster-General was to be considered as merely ministerial, and not executive, it yet remained to be shown that the circuit court of this District had authority to interfere by mandamus, such a power having never before been asserted or claimed by that court. With a view to the settlement of these 655 important questions, the judgment of the circuit court was carried by a writ of error to the Supreme Court of the United States. In the opinion of that tribunal the duty imposed on the Postmaster-General was not an official executive duty, but one of a merely ministerial nature. The grave constitutional questions which had been discussed were therefore excluded from the decision of the case, the court, indeed, expressly admitting that with powers and duties properly belonging to the executive no other department can inter-fere by the writ of mandamus; and the question 660 therefore resolved itself into this: Has Congress conferred upon the circuit court of this District the power to issue such a writ to an officer of the General Government commanding him to perform a ministerial act? A majority of the court have decided that it has, but have rounded their decision upon a process of reasoning which in my judgment renders further legislative provision indispensable to the public interests and the equal administration of justice.

665 It has long since been decided by the Supreme Court that neither that tribunal nor the circuit courts of the United States, held within the respective States, possess the power in question; but it is now held that this power, denied to both of these high tribunals (to the former by the Constitution and to the latter by Congress), has been by its legislation vested in the circuit court of this District. No such direct grant of power to the circuit court of this District is claimed, but it has been held to result by necessary implication from several sections of the law establishing the court. One of these sections declares that the laws of Maryland, as they existed at the time of the cession, should be in force in that part of the District ceded by that State, and by this provision the common law in civil and criminal cases, as it prevailed in Maryland in 1801, was established in that part of the District.

In England the court of king's bench--because the Sovereign, who, according to the theory of the constitution, is the 675 fountain of justice originally sat there in person, and is still deemed to be present in construction of law--alone possesses the high power of issuing the writ of mandamus, not only to inferior jurisdictions and corporations, but also to magistrates and others, commanding them in the King's name to do what their duty requires in cases where there is a vested right and no other specific remedy. It has been held in the case referred to that as the Supreme Court of the United States is by the Constitution rendered incompetent to exercise this power, and as the circuit court of this 680 District is a court of general jurisdiction in cases at common law, and the highest court of original jurisdiction in the District, the right to issue the writ of mandamus is incident to its common-law powers. Another ground relied upon to maintain the power in question is that it was included by fair construction in the powers granted to the circuit courts of the United States by the act "to provide for the more convenient organization of the courts of the United States," passed 13th February, 1801; that the act establishing the circuit court of this District, passed the 27th day of February, 685 1801, conferred upon that court and the judges thereof the same powers as were by law vested in the circuit courts of the United States and in the judges of the said courts; that the repeal of the first-mentioned act, which took place in the next year, did not divest the circuit court of this District of the authority in dispute, but left it still clothed with the powers over the subject which, it is conceded, were taken away from the circuit courts of the United States by the repeal of the act of 13th February, 1801.

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Admitting that the adoption of the laws of Maryland for a portion of this District confers on the circuit court thereof, in that portion, the transcendent extrajudicial prerogative powers of the court of king's bench in England, or that either of the acts of Congress by necessary implication authorizes the former court to issue a writ of mandamus to an officer of the United States to compel him to perform a ministerial duty, the consequences are in one respect the same. The result in either case is that the officers of the United States stationed in different parts of the United States are, in respect to the performance of their official duties, subject to different laws and a different supervision--those in the States to one rule, and those in the District of Columbia to another and a very different one. In the District their official conduct is subject to a judicial control from which in the States they are exempt.

government constituted like that of the United States, all must agree that these disparaging discrepancies in the law and in the administration of justice ought not to be permitted to continue; and as Congress alone can provide the remedy, the subject is unavoidably presented to your consideration.

705 M. VAN BUREN

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