

More than twice has it been interposed to rescue the people from the domination and abuses of a National Bank. It was in defence of our rights and our institutions, that the determination of a late Executive to refuse his constitutional sanction to the abolition of slavery in any of its forms, was so fearlessly avowed; and this State, I presume, can have no interest or motive to remove the few salutary checks and embarrasments to the so often unjust and inconsiderate legislation of a majority in Congress, as to induce it to war against the dignity and prerogatives of a department, the weakest and most conservative, perhaps, in the government.

I also submit for the serious consideration of the Legislature, a copy of the communication of the Governor of Virginia, on the proceedings of the General Assembly of that State, on the subject of her late controversy with New York; and Reports and Resolutions from the State of Alabama, responding to the views and declarations so solemnly announced by this State, on questions deeply involving the right of property, and the security of the domestic institutions of the South. Bound by every consideration of duty, of interest, of honor, and of equity, to repel so flagrant a disregard of the rights of a sister State, we should always be ready and prompt to redeem the pledge of our alliance to a cause with which our interests are so intimately identified. Relations of family cannot be preserved even between separate nations, in which the rights of property are not regarded as they exist, under the respective laws of each; much less can sovereign States be permanently allied in a bond of Union, under the same laws, government, and constitution, where fugitives from the justice, plunderers of the property, and violators of the laws, of one, find refuge and impunity under the sanction of the constituted authorities of the other. No wrong is more readily resented by nations—no injustice can more deeply stain the faith, or more essentially impair the friendly and intimate relation of co-federated States. If would be a reproach to the character of our institution, if claim which are recognized and reciprocated by the comity and justice of all civilized nations, should be scornfully refused and contemned by States federated under the same laws and constitution. If the obligations of the constitution which require one State to deliver, on demand, fugitives from the justice of another, are to be disregarded,—our institutions assailed,—the plunderers of our property encouraged and protected,—then must we regard the perpetrator of these aggressions, no matter by whom committed, as a foe to our rights and an enemy to our peace. Whether the wrong in this case has been done to Virginia or South Carolina, the principle is the same, the interest involved common to both, and the responsibility of protecting them should equally devolve on every State in the Union, in which justice exercises dominion, or similar institutions exist. Persisting in such a course of unprovoked hostility to the interests and institutions of the South, New York can only be regarded in the light of any other aggressing power—in peace, friends, but enemies in war. The adoption, in all such instances, of a similar course of vigilance to that which the State of Virginia has instituted, would perhaps be a wise and necessary precaution, to prevent the recurrence of similar aggressions upon the property and rights of our own citizens and institutions. We ought, upon every principle of equity and of interest, to make common cause with any State whose rights and institutions are thus wantonly violated and assailed.

The position which it may become this State assume, on any of the important questions presented, would seem to suggest the importance and necessity of cultivating and improving her means of safety and defence. It would be a mere mockery to vaunt of rights, liberty, or sovereignty, without the spirit, ability, or resources to defend them. It would be better at once to endure threatened or impending ills, unaggravated by opposition, than by unmeaning denunciations, and impotent exhibitions of resistance, to provoke and increase their bitterness.—Prohibited, both by the character of our institutions, and the restrictions of the constitution, from resorting to any other means of cultivating our military resources than that of a well trained and organized militia, it should be cherished to the highest state of perfection, and with a pride and assiduity to make it the most efficient, as it is the only means of defending the rights, the honor and sovereignty of the State. The improvement in which it so rapidly progressed, under the influence of the late Brigade Encampments, offers the highest encouragement to the continuance of your patronage, as well as the happiest illustration of the beneficial effects of the mode in which it has hitherto been conferred. Assembled in these Normal Schools of drill and tuition, where a patriotic emulation was excited—where knowledge was imparted and received, under the criticism of the most improved and accomplished officers—where such favorable opportunities were afforded for discriminating the qualifications, both of the soldier and the citizen—and where that martial pride and feeling was acquired, which is the best, perhaps the only foundation of an elevated patriotism, combining so many motives, stimulant advantages and incentives—it is not surprising that from its results I should be enabled to give you a gratifying assurance that our militia now comprises in its organization, a class of officers whose knowledge and accomplishments would do credit to any age, or service, or country. With such inducements

before us, it is deeply to be regretted, that an experiment productive of so many advantages and improvements, without any detracting consequences whatever, should have been prematurely abandoned.

Already are the effects of that abandonment visible, in the waning enthusiasms of the service, and the resignation of some of our ablest officers, from a conscientious regret and despondency, for the future usefulness and efficiency of their exertions. Such indications as these should be regarded as a solemn invocation to restore a system from which the State has derived such important benefits.—Confined perhaps as those encampments should be, to commissioned officers, it is not to be presumed that any officer would be so insensible to the honorable pride of his vocation, or to the confidence which the State reposes in his courage and fidelity, as to regret the privations and inconveniences of five days camp service, to learn the art of defending his country and its institutions. With some slight and salutary modifications of the law by which they were regulated, it is confidently hoped that they may be made the schools of correct morals, as well as of patriotism and military discipline. With the alteration or addition of such provisions as may promote this desirable object, the bill under the consideration of the Legislature, at the last session, in December, and revised by the Adjutant General, with the accompanying report, is respectfully referred to your consideration.

Amid all the perils of the time—the peril that every where surrounds our domestic institutions—the emergency that may call upon us to vindicate our rights and principles—I cannot but again and most seriously invoke your attention, to that organization of our military resources and defences, without a due regard to which, no State action can be efficient and the assertion of sovereignty itself be but a bye word and a reproach, without dignity, and without effect.

The contingency of a National War, (remote and distant as I trust it still is,) can not be overlooked, among the numerous other inducements to improve our military resources. The most exposed, perhaps, as we are, to its ravages, from the neglected condition of our coast—the greatest sufferers, from the burdens which its expenses are destined to impose—no matter how provoked or originating, whether by the ambition of one power, or the officious border aggressions of the other, there can be I am sure, no selfish or ignoble considerations, that would ever restrain the most generous contributions upon the part of this State, of treasure or of arms, to save the national honor from tarnish or disgrace.

By an Act of the Legislature, in December last, the duty was devolved on this department, of proposing for the acceptance of the several Banking Institutions of this State, an Act to amend their Charters, with a view to prevent the future suspension of specie payments. The Bank of the State, the South-Western Railroad Bank, the Union Bank, and the Planters' and Mechanics' Bank, with a commendable desire to conform to the wishes and objects of the State, have, in good faith, and sincerity, accepted its provisions.

In executing the instructions of the Legislature, in that spirit of mildness and forbearance in which I am sure they were conceived, I deemed it proper to overlook the delay of a few weeks, after the precise period fixed by law, for the acceptance of the two latter institutions; apprised as I was, that it had arisen from unavoidable circumstances, and not from a willful neglect or refusal to comply with the requisitions of the law.

It is due to the high character which these institutions have hitherto sustained, and I am sure reflects no injustice upon the motives of the Legislature, to state, that the object of this enactment was to prevent anticipated evils, rather than to punish *pa-t-er* or existing abuses. The Federal Government having, in the exercise of a wise and sound policy, abandoned that control over the currency which it had hitherto usurped, the necessity of a stricter supervision over the monetary affairs of this State, had become more obligatory upon those, to whom the people have entrusted the power of regulating them.

In such a state of state of things, it could not be deemed an unnecessary or efficacious act of caution, upon the part of this State if she resorted to all the ordinary and legitimate means of rendering her own currency, sound, safe, adequate and stable. The exercise of the means she has hitherto delegated, in a great (and perhaps an imprudent) extent, to her Banking institution, by the extraordinary privileges and immunities with which she has endowed them. If the trust has heretofore been faithfully and ably executed, the merit is to be ascribed to the virtue and fidelity of the agents, rather than to the want of any power or opportunity, to abuse it; or to any provisions in the laws, to restrain or punish it. Under these circumstances, this State was perhaps necessarily forced to entertain the question, whether she had irrevocably parted with all power to regulate her own currency, or delegated the power, without reserve restraint, control, or supervision, on her part, for the term of years for which she has chartered her monied institutions.—If in fact there does exist this *imperium in imperio*, for the exercise of so important a power the people of this State might well ask, upon what constitutional principles a sovereign right, which can only be exercised legitimately by their own Government, has been delegated to agents, politically irresponsible to them.

In such an issue, it is not a very remote or fanciful anticipation, that if so important a right were indeed improvidently lost in law, it would but too probably, in the absence of any other resort, be reclaimed by revolution.

The wisdom and propriety of retaining some checks and guards, similar to those which have been proposed, upon the extraordinary privileges with which this State has endowed her chartered institutions, is I presume universally admitted, in reference to those hereafter to be chartered. It will readily however occur to every reflecting mind, that a prospective legislation in this respect, could remedy none of the existing evils.

The Banking Capital of this State is more than equal to its exigencies and requirements, and the most of those corporations in which it has been vested, have many years to complete the term for which they were chartered. Such a discrimination with regard to future and existing institutions, would therefore be as inefficient as it would be invidious.

If I have a just and proper conception of the objects of the proposed amendment, it was with these views and conceptions, that the State thought proper to require these salutary concessions from her chartered institutions, to her sovereign authority and supervision. Deriving extraordinary privileges and immunities from her liberality, she has pre-eminently irresistible claims upon their confidence and gratitude. Trusted for a long course of years, with the exercise of rights and powers and franchises sovereign in their nature, and which can appertain to none of her citizens individually, she may well urge a moral, as well as political right, to be trusted in turn, with a discretion, which she cannot exercise for her own interest without promoting theirs. That she has generously sustained them in all past misfortunes and difficulties, is the highest evidence of her future kindness and liberality; and should be the last pretext invoked, to sustain either present or future acts of contumacy. And while the interests of her citizens are so intimately connected with their stability and success, the restraining influence of a just and enlightened public feeling, will be ever ready to interpose, to prevent the capricious exercise of legislative authority.

To these high considerations, may perhaps be added another, of not less practical importance; that the salutary influence of State authority would perhaps greatly conduce, in times of extraordinary calamity, to prevent those controversies and dissensions between the Banks themselves, which were so unhappily exemplified in the history of some of our own institutions, during the disastrous events of the late suspension. That it has already exercised a salutary and judicious influence, may be inferred from the fact, that under the operation of its provisions, the Banks of this State alone, of all the institutions South of the Potomac, have in good faith and reality met engagements or demands for specie, without pretext or evasion.

Whatever may have been the motives or necessity which induced to the enactment of this statute, the rejection of its provisions, by some of these institutions, has made it a question of the gravest import, from the discussion and decision of which, this State cannot, without a sacrifice of her dignity and self-respect shrink, or recede. In this aspect of the question, I felt constrained, by every sense of duty, as well as of allegiance, to exercise all the authority with which I was entrusted by the Legislature or the Constitution, to enforce the objects of the law through the judicial tribunals of the State: With this view, I deemed it proper to engage the services of several of the most efficient gentlemen of the Bar, as assistant counsel, to co-operate with the Attorney General, and Solicitors. I regarded it as the more necessary to do so, as the season of the year at which the Court was held in Charleston, as well as the demands of their respective Circuits, would necessarily deprive the State of the able services of some, if not of all, of the Solicitors. I had no authority to command their presence and services in Charleston; and under such circumstances of inconvenience, as those under which they would have been rendered, I could not presume officially to request them. The arduous duties which would therefore have devolved upon the Attorney General, could not have been performed, even by his indefatigable zeal and industry, but at the expense of every other duty and engagement. And although having every confidence in the talents and attainments which have so deservedly placed him at the head of his profession, yet the grave responsibility of advocating the interests of the people, and the dignity of the State, on a question of such vital importance, I regarded as too great, as too serious, (and it was even deemed so by his modest sense of his own merit,) to be devolved on the abilities of a single advocate.

From the manner and ability with which their duty has been performed, I have derived the greatest satisfaction; and the people and the State I trust, lasting and essential benefit, from the arduous and able efforts with which their rights and interests have been vindicated, and discussed.

In connection with these remarks, relative to the controversy into which this State has been so unfortunately drawn, by the recusancy of some of her Banking institutions, it may not be improper for you to direct your views to this consideration of some permanent and prospective mode, of regulating our currency, I as-

sume, of course, that this State can never acquiesce in the existence of a National Corporation, or admit the necessity of subjecting its monetary affairs to the arbitrary and exclusive control of such an institution.

Much of the pressure and difficulty under which our community has labored, has arisen from the constraint imposed upon the operations of our Banking institutions, by the dissensions, necessarily incident to an inequality of Banking Capital. There is probably no fact in the economy of Banking operations more incontrovertible, than that the business of a moderate capital, under ordinary circumstances, is usually productive of the highest rates of profits. And if, in our experience, there exists any exception to this rule, in favor of the larger Banking institutions, it is because the late policy of the State, in creating so vast a disproportion of capital as now exists, has substituted the dominion of the few, for the honorable competition of all, and thereby produced strife and discord, where nothing but a generous emulation of profit and usefulness, should prevail.

The greatest profits of the banking system are presumed to be derived from its operations in exchanges. In proportion to the exorbitancy of the rates produced by the derangement of the currency, and the pressure and difficulty of the times; and in proportion to the advantages of the capital by which an institution may monopolize that branch of business, so may its interest and tendencies be directed to protract, and even to increase that state of disorder, from which it acquires its greatest gains. It cannot therefore be a wise policy which supplies to private corporations, in excessive capital, the power, motives, and inducements to profit by the embarrasments, or to extort from the necessities and inconveniences, of the people.

I do not mean by these general propositions, to imply a censure on the conduct, or illustrate the abuses of any one of our own institutions. The example of one of them, at least, during the late suspension, so far from manifesting such a policy, cannot be too highly commended for its forbearance in the use of its advantages, as well as its wisdom and firmness, in maintaining the faith and credit of the South. Still, an undue and dangerous power over our currency, is necessarily incident to the position of financial autocracy which it occupies. And if that power has not been tyrannically or corruptly used to its injury, or the detriment of the public, it has been owing solely to the discreet forbearance of those who wielded it, and not to any safeguards provided by the laws to restrain it.

A reduction of the capitals of the several banking institutions of this State, (were their charters to be renewed,) to some common and moderate standard, less than that of our State institution, would probably prevent the recurrence of future evils arising from this cause. But in the meantime, to strengthen the influence of our State Bank, either by an increase of capital or of immunities, is perhaps at present, the most efficacious, and the only means, of correcting existing ills, which legislative action cannot otherwise reach, without violating the charters which sanction them. Whether this State should participate in banking operations at all, cannot now be regarded as an open or a practical question. But whether she should not use her institution, in the language of a distinguished statesman, to "unbank" the abuses of the system, is a policy that deserves to be well considered. Such a position it is presumed the Bank of this State would occupy, with a most dignified, salutary and judicious effect. Certain it is, in my estimation, that so long as the State engages and competes in banking operations, her institution should at least exercise a controlling influence on her monetary affairs; or else present the strange political anomaly of the public Treasury, (with which it is practically identified,) and the people's money, subjected to the capricious and selfish domination of private corporations which, however beneficently exercised heretofore, is always liable to abuse.—That its present resources are inadequate to this object, is but too apparent from the inconvenience and restrictions, to which, in all times of great pressure and difficulty, it has been subjected.

Whether it may not be expedient, in the event of increasing its capital, to associate private interests, which may always exercise a salutary vigilance on its operations; or, by merging, as their charters expire, the whole banking capital of the State into one system, proportionately controlled by the Stockholders and Representatives of the people, are measures which I would suggest as worthy of your consideration. Such a system of finance, if uniformly adopted by the States, regulated and modified by the influence of a national Sub-Treasury system, it is believed would furnish the best and soundest currency in the world.

The Report of the President of the Bank, will apprise you of the profits which have accrued from the transactions of this institution for the past year; and for a review of the circumstances and embarrasments pervading the community under which they have been realized, you need not be referred to a monitor more faithful than your own experience. Satisfactory as those profits are, considering the character of the times, they have been derived from accommodations as beneficent in their effects, as they have been safely and judiciously administered, for the benefit of the institution itself. Without resorting to any of the usurious expedients of the times, its resources have I believe been as faithfully and humanely directed to protect the property of the citizen, as patriotically to subserve the interests of the State.

From the aspect of the financial affairs

of the State, as you will find presented in the Comptroller's Report, you will perceive the expediency of exercising the same rigid and judicious economy, in the disbursements of the revenue, which has hitherto prevented the necessity of increased taxation. Additional burdens upon the labor and property of the people, should not be imposed in times of such embarrasment and distress, except for objects of such primary necessity and importance, as affect the permanent well and safety of the State, or any of the great principles of constitutional liberty. Improved as our resources are, in comparison to the aspect presented at the last session, the Treasury is still far from having obtained a redundant and overflowing condition. It will be found I trust however, adequate to meet all such necessary exigencies, as cannot be neglected without consequences more ruinous, than the most wasteful and inconsiderate extravagance.

The condition of the public works and improvements effected at so much cost to the State—some of which are still unfinished, others unprofitable, and many falling into decay—will demand your attention, either to abandon, repair, or otherwise dispose of them. The sale or lease of many of them, under the supervision of commissioners appointed in the several communities in which they are located, at a price not less than the value, (as estimated by the Comptroller or Superintendent,) would perhaps be one of the most efficacious and satisfactory modes, of relieving the State from further embarrasment and expense.

The impracticable condition of the road through Vance's Swamp, and its great importance, as the ordinary, and I believe, the only channel of intercourse with Charleston, to more than three Districts in this State, as well as a large portion of North Carolina, makes it highly desirable that the liberal appropriations already made to improve it, should not be utterly lost, by the ruinous and incomplete condition in which it now remains. More than twenty thousand dollars were expended by the State, in constructing the original road; from which it has derived neither benefit, or improvement.—Ten thousand dollars was afterwards received by a contractor, for erecting the skeleton of a Bridge which, having been rejected as perishable and dangerous, was abandoned and removed. Of the last appropriation of twenty thousand dollars, to embark the first instalment, and after accomplishing a very considerable portion of the work, at a ruinous expense to himself, has been compelled to abandon it, from the exhaustion of his resources, the influence of recurring freshets, and an inability to complete a contract so far exceeding the estimated cost and labor. The balance of the appropriation still remains in the Treasury; and if diverted from the object first contemplated by the Legislature, will leave the State without a single corresponding benefit, to compensate for all the sacrifices of treasure, which have been so ruinously sustained, by both State and individuals.

No portion of the police or statistics of the State, is presumed to require more radical reform, than our system of Road working. There is no object upon which so much labor and expense is so unprofitably bestowed, or so unequally contributed, by the different classes of society. Notwithstanding the annual impositions upon the time, labor, and purses of our citizens, the condition of our roads is far from manifesting a corresponding degree of improvement. Nor is it less obvious, that much the greater portion of the burden which the present system devolves upon the people, is sustained, almost exclusively, by the agricultural interest. The labor or profits of the capitalist, or of the professions, (no matter how productive or enormous,) are practically exempt from these assessments, which always recur, and which sometimes fall with much inconvenient force, upon the interests of the Planter. Nor are the objections arising from principle, less cogent than those which are so amply illustrated, by the experience of its inefficiency and inequality. The sovereign power of taxing, even within a limited discretion, the property and labor of the people, as possessed by the Board of Commissioners now established in the several Districts of the State, can never be safely or wisely reposed in any body of men, however virtuous or discreet, not elected by the people themselves, and wholly irresponsible to any of the penalties of the law, or even to the consequences of impeachment, for any of the ordinary abuses of the trust. The powers entrusted to the Board of Commissioners, are not only of a ministerial, but, to the extent to which they are vested, of a legislative character; and if they have not been hitherto abused, to the oppression of the citizen, it is because the forbearance and justice of the officers, have imposed more salutary restraints, than the provisions of the law. If powers of the same character and extent, were conferred on a military, or any other tribunal, accompanied with the self-perpetuating prerogative of electing its own members, the liberties of the people, and the authority of the government, would be regarded as deeply endangered or subverted. I do not know whether the effects of the present system are most to be deprecated, in the execrable condition of most of our high-ways, or in the capricious, partial, and oppressive exercise, in numerous instances, of the most despotically and obnoxiously administered power, in the State. If, therefore the present system must necessarily be continued, from a supposed impracticability of devising any other, I would recommend that the appointment of the members of the several boards, should devolve upon the people, at the same time, and under the

same restrictions, as appertain to the election of their Representatives. If it cannot be inspired with a spirit and energy for usefulness, let it at least be shorn and divested of its power and tendency to evil. I cannot I trust too impressively invite your attention to a subject of so much practical importance; and while the improvement of roads, as one of the indispensable means of advancing commerce, has justly been regarded in all ages of the world, as the evidence of increasing prosperity and civilization, the patriotic emulation which I am sure you are always ready to manifest in promoting the public weal, will direct your most sedulous exertion to the improvement of our own.

The revision of our criminal law, in many essential particulars, is required by the dictates of policy, as well as of humanity. The effects of time and circumstances, have produced so many modifications in the character of some crimes, that it is difficult, in many instances, either to procure convictions, or enforce punishment. Where the penalty exceeds the sense of public justice, or where the feelings of commiseration for the culprit overpower the apprehension of consequences to the safety or interests of the community, neither the wisdom of the Judiciary, or the firmness of the Executive, can prevent a law from becoming as obsolete as it is odious. Of this class of cases may perhaps be enumerated some of the lesser grades of forgery, the punishment of which, as a capital offence, has gradually been ameliorated, even by the policy of those nations, from whose commercial exigencies, they were originated. Were it even necessary to have exceeded, in this instance, the inflictions of the divine command, in the enumerated offences to be expiated by death, it is hoped that the force of that necessity has gradually diminished, under the influence of time and circumstances.

The trial of slaves for capital offences, in the ordinary summary mode of process, and in the midst of all those circumstances of excitement in which feelings of partiality or of prejudice are apt to predominate must be admitted to be capable of producing those perversions in the administration of justice, from which the rights of humanity and the interests of property should be protected. Within the small circle of neighborhood communities, so easily swayed by passion or feeling, vindictive motives to the master, may sometimes conduce to the punishment of the slave, while the influence of a popular favorite, on the other hand, may be successively exercised to extend to the crimes of the culprit. The result of my reflection and experience, therefore, induces me to reiterate the recommendation of one of my predecessors, to alter the present mode of trial, to a jury of twelve freeholders, to be assembled at the court house; and the prosecution in all cases (and the defence when practicable) to be conducted by counsel. The convenience of the Parishes, remote as some of them are from the seat of justice, may readily be accommodated, by special provisions. If, in making this recommendation, I have said little more than to repeat the suggestions of some of my predecessors, it is perhaps for that very reason entitled to your more serious consideration, as the result of the matured and accumulated experience of this department, in all its stages of occupancy and of succession. The instances of awakened regret and contrition, on the part of many of these judicial tribunals, invoking the interposition of Executive clemency, to modify or arrest their own hasty and often illegal convictions, are of frequent and ordinary occurrence.

The present mode of applying the Free School Fund has been productive of no benefit, to correspond with the most munificent of all the benefactions of our State Government, to improve the moral condition of her people. The experiment of many years, not only presents us with the result of a large proportion of our indigent citizens, who have grown up without the encouragement or the opportunity to participate in its advantages, but at the same time forces upon us the conviction, that these opportunities, when enjoyed, have in many instances been accompanied by a standard of morals, as well as of tuition, as vitiated, and perhaps more injurious, than the worst consequences of the most profound ignorance. While our grammar schools and literary seminaries have advanced and improved in proportion to the increasing intelligence of the age, and to the higher requirements of our colleges, the free character of our free schools has depreciated in all the essential requisites of a sound and judicious course of education. Where are their beneficial effects to be witnessed, in any of their influences on society? Where are the monuments of their usefulness to be seen, in any new illuminations of science or improvements in the arts? What signal example can be adduced, to illustrate a solitary instance of moral or intellectual reclamation, for the expenditure of more than thirty-six thousand dollars annually? Better would it be to leave the mind entirely to nature's influences, and Heaven's inspiration, than to pervert the understanding, and corrupt the heart, by a depraved and injudicious course of education. The result of so many years' experience, is enough to dissatisfy your hopes, in the present mode of applying the liberality of the State; but not, I trust, to discourage your efforts to improve it. When the State assumes to become the guardian of the education of any portion of her citizens, the character of the education should be of a kind not inferior to the most useful and improved standard of tuition. I am inclined to the conviction, that if elevated to the condition of the highest order of English Grammar Schools—one to be established in each District, County, or Parish—the course of instruction being chiefly directed to the