

SOUTH CAROLINA LEGISLATURE.
Report of the Committee on Federal Re-
lations.

[Concluded.]

The unfounded allegation that Gen. Harrison's election would raise the value of property, is already in part exposed. He is elected, and yet money remains the same; property the same. The more cunning part of his advocates, are hoarding their means to buy at a sacrifice, the estates of the dupes who united with them in clamouring for change. The mild and gradual effect of the separation of the Government from banking, the gradual return to the collection of the Revenue in money, and the Independent Treasury, were efficacious remedies for a redundant circulation. The hope that any change of administration could save one whose obligation, payable by the laws and Constitution, in specie, is outstanding, for property bought at prices swollen by speculation and depreciated circulation, from the consequent loss, was too fallacious for an honest Democratic Administration to hold out, and the proposal to cripple all the State Banks by placing a regulator, with chartered privileges, to compel them to call in four hundred millions of debt, is the most cruel mockery, and the curses of a ruined country, deep and loud too will fall upon its authors. The Independent Treasury, and a well advised General Bankrupt Law, applicable to all dealers, was the true means of relief. Now, the wealthy capitalists alone, have any prospect of profiting by this reiterated experiment of a Federal rule, which has always ended in disappointment to the people. Not only is a United States Bank unnecessary, but the idea of its money being in fact any better than the money of specie paying Banks of the States, where its Branches are situated, except for the unjust monopoly of being receivable in payment of duties, although not redeemable in specie where so paid; a monopoly, the fruits of which, are reaped by foreign stockholders. Such an institution is evidently unconstitutional, and the existence of such a Bank, is only a proof how pressing emergencies form an excuse for a departure of principle, and how readily good men slide into the heresy in morals, that "the end justifies the means."

The constitutional objection to a Bank, chartered by the United States, has never been fairly met, and as human reason is just as clear as ever it was, the time has arrived when the people will again resort to first principles, and test the point by sound and connected argument. Let us trace the history of this Institution from its embryo. In 1780, during the Revolutionary War; the Bank of North America was chartered by the Continental Congress. The inducement was, that the Bank was to furnish the Army 3,000,000 rations, and 300 hhds. rum, and receive in payment Bills of exchange on our Minister in Europe. The subscription or capital was to be in gold and silver. Even then so jealous were the statesmen of that day, that they required "every evening except Sundays, a statement of the cash account, and the notes issued and received, and to be delivered to the Superintendent of the finance of America." The exigencies of the country were the excuse, and the States requested to carry into effect its provisions by State laws. Thus, a United States Bank was known prior to the Constitution, and was the subject of debate in the Convention. This Bank took a charter from Pennsylvania afterwards. The question generally of giving to Congress power to grant acts of incorporation, and also to incorporate a Bank, Mr. Madison says was fully considered, the power refused; and now the question arises, has Congress that power? As to the array of great names in favor of the position, it is enough to say, the present generation are endowed with the same intellectual powers as their predecessors, and with the same facts before them, can arrive at as wise a conclusion; and the pressure of State necessity being removed, they have a better prospect of arriving at the conclusions of unbiased reason. The United States, and its Congress, possess no inherent power or original existence, as a body politic, but is composed solely of such sovereign powers, as the States have by the Constitution granted. It results that the omission to grant is a prohibition to the exercise of any of the powers appertaining to a government. The people of the several States, as independent and sovereign powers, possessed all the attributes of Nations, and so much, and no more, of those attributes, as are in terms surrendered to it, by the instrument which created the United States Government appertains to it.

It is admitted that the United States is a Government, capable of sustaining its existence, and not a mere league; but the limits of its authority are delineated in the Constitution, without which it has no existence, and beyond which it can exercise no legitimate authority. Let us then look into this instrument for the authority to create a body corporate, and grant to it the monopoly of having its promises to pay coin received in every quarter of the Union for the duties and dues of the United States, and the use of its revenues to be loaned out on the promissory notes of individuals, and to receive the interest for the equivalent of paying the deposits where required. Power was refused when asked in direct terms, and let us apply the celebrated rule, "to ask the lawgiver what he meant," and it is clear, that he did not intend that to be implied which he had expressly refused. But Independent

of this refusal, the terms of the Constitution cannot be construed to imply such a power. It has been inferred from the power "to lay and collect taxes for the general welfare." To incorporate a Bank, lays no tax for any purpose. Alexander Hamilton, the great originator of such a Bank, told the honest truth; as to what it was intended to be: "It is to be considered that such a Bank is not a mere matter of private property, but a political machine, of the greatest importance to the State." Congress has no power to raise money to invest in a Bank, any more than in a whaling voyage, or any other money making business. The term "general welfare," is used to designate the object of raising taxes. If every thing that will bring money into the public purse, is authorized under the power to raise taxes then charters to fishing companies, fur companies, and companies for all purposes of trade and manufacture, by requiring a bonus would bring money into the public purse. Yet no such charters were ever applied for. To exact a bonus for a charter is not a tax, but the price of a government grant of a monopoly, and a monopoly is so much taken from the mass of the people to be conferred on a privileged class. The right does not result from the power "to borrow money." A Bank charter borrows no money. It is a fearful stretch of construction to imply it is a "necessary and proper" way to borrow money, to call into existence a corporation to lend it—not to lend its money, but the promissory notes. The power is to borrow money. Now, by the Constitution, Congress may coin money, and regulate the value thereof, and of foreign coin." No other money was then known. Paper—bills of credit, were never known as money, but a substitute for it. Who ever heard of engraving money? Neither is it, "necessary and proper," or either, to create a corporation, to aid in laying and collecting taxes, or to create a lender that Congress may borrow. It would apply as well to Trust Companies, Loan Offices, and Whaling companies.—These might be taxed, or they might lend their notes, or even their money, but are they both "necessary and proper?" The people may be taxed, and money may be borrowed of individuals. The States have the right to prohibit the circulation as money of any thing but gold and silver, and yet if Congress have the power to incorporate a Bank, they must protect its issues, punish the forgery of them, and thus usurp a clear State Right by implication. Every implication of a grant is confined to such as are direct, and both necessary and proper in the usual and natural acceptance of the terms, else it leads to unlimited power, every means becomes in its turn an end, and thus justifies the use of means still more remote, until absolute power is attained; and this is pure Federal doctrine. Thus the United States may borrow money. To borrow money, it is necessary and proper, that there should be an accommodation of capital. To accumulate capital we must have a bank, with the power to engrave Bank notes. There can be no Bank of limited responsibility without a charter, and prudent men will not unite in a general responsibility; and therefore, Congress having the power to borrow money, has, by necessary implication, the power to incorporate stockholders with limited responsibility. Thus, the charter is the means of creating the Bank. The Bank is the means of collecting the capital, and multiplying it thence to tenfold, and this is the means of enabling the bank to lend, and the United States to "borrow money." There is no power which the most unprincipled ambition might covet, which could not be attained by the same course of reasoning. Apply it to the power to lay taxes; a corporation may be taxed, but to tax we must create it, therefore, under the power to lay taxes, Congress may create a manufacturing company, and impose a tax or bonus. Impression into the Navy, and a conscription for the Army, are legalized in the same way. This is Federalism, now in the ascendant. Strict construction is the polar star of Democracy, destined again to emerge from the eclipse.

A corporation is a new creation—it is a person not before existing, and its creation is an act of sovereign power, not delegated. Had it been either necessary or proper, it would have been as expressly granted as it was positively refused.—An idea once prevailed, that the prohibition to the States, to emit bills of credit, by implication conferred that power on Congress, and so it might create a Bank to emit paper money. If so, all bills of State banks are unconstitutional. But in the first place, a chartered Bank is not Congress, and delegated power cannot be sub-delegated. But the whole error is founded upon a misapprehension of what "bills of credit," are. They are promises based on the credit of a State, and not notes based on a bank capital. This has been decided and admitted. The argument chiefly relied upon, by the advocates of a national bank, is that of the late Chief Justice Marshall, venerable for his wisdom and experience; but that gift of God, which is bestowed upon mankind, in every age, the power, of reason, is still more venerable. An individual may be influenced by notions, or deluded by the pressure of circumstance; but right reason, when unclouded by prejudice, is more to be relied on. Great and good men have maintained some monstrous doctrines. Judge Marshall's argument is all condensed in these words—the government which has a right to do, an act, and has imposed on it the duty

of performing an act, must, according to the dictates of reason, be allowed to select its means," and any exception must be proved. The doctrine leads to the inevitable conclusion, that Congress is supreme. It must raise an army, conscription is a means, therefore you must show that it is prohibited. It can borrow money, therefore it can incorporate companies, and great monopolies within the States, to obtain a bonus." It at once breaks down every barrier of the Constitution, and makes the United States a consolidated nation, for of course, the States cannot gainsay what the United States select as a means. Had such a doctrine been uttered by the dying breath of Washington, it would be our duty to challenge it, as treason, to the sovereignty of the States.

Your committee conclude, that the uncompromising history of the Democratic Administration to a national Bank, deserves our most cordial approbation; and that the adoption of that measure, as a leading and fundamental principle of the new administration, stamps it indelibly, as in its very essence, the legitimate exponent of Federalism, and calculated to inflict upon the country, lasting misery and ruin.

Your Committee consider the Independent Treasury as strictly in accordance with the Constitution, and well calculated to place the commerce, manufactures, and agriculture of the country upon a permanent and prosperous basis. By withdrawing from all connection with trade, it leaves the Banking interest to be regulated by the States. By collecting the Revenue in the coin of the country, it neither opposes nor fosters these institutions, but leaves them to be estimated by those who deal with them. If their notes are equal to specie, those who possess them have no difficulty in converting them into money when required for duties. If they are not equal to money, and the United States ought not to receive doubtful paper in payment of debts due to the public, There would have been no outcry against their collection of the Revenue in money, but from the consciousness that the bills of specie paying banks are not as good as specie. A specie paying Bank to-day, may be a suspended Bank to-morrow. Returns and Exhibits have proved no security. A Bank which is guilty of a fraudulent issue of paper beyond its ability to redeem it, will hesitate little to convert that fraud by false statements. When we see the largest Bank in the Union and once graced with a United States charter, circulating the bills of an extinct institution, based on no capital, what confidence can be placed in the mere integrity of Banks, or the fidelity of their statements? It then results, that either the United States must guarantee the continuance of the solvency of the Banks, or the persons who pay the duties must ascertain it by the actual exchange of the bills for money, a proceeding which can cause no difficulty, except where the Banks are really not deserving of credit.

The right to lend money collected as duties or taxes and thus convert it into notes under any guarantee, is in conflict with the letter and spirit of the Constitution.

The next general feature of the administration of the present Chief Magistrate, deserving the cordial approbation of every slave holding State, was the determined policy early avowed, to withhold his sanction to any measure impairing the reserved rights of the South, in relation to her slave population. While we feel an abiding confidence in the readiness and ability of our State to protect its rights by those means which God and nature have accorded to us, and never doubted the noble spirit and elevated patriotism of our citizens; to meet any emergency, and repel any aggression, and are resolved not to discuss rights which we permit no one to question; we must cordially approve that faithful and just adherence to the Constitution, which will save our citizens of other States from endangering the Union by their folly and fanaticism, and involving themselves in a conflict that will not be abandoned as long as Carolina has one faithful citizen left to die in defence of her integrity as a State, her interest or her honor.

Your Committee unite with the Executive in amazement at that delusion which could induce any Southern State to abandon an administration which adhered most faithfully to the doctrines which they have struggled to maintain since 1800, and hazard their interest by coalescing with a party to which is allied the Federalists and Abolitionists; the advocates of a National Bank, and the preserving solicitors of a Tariff of protection; and while we rejoice to find ourselves associated on the one side with Virginia, the very nursery of Democracy and State Rights, and on the other, by our own offspring, the enlightened people of Alabama, we feel no unkindness towards our immediate neighbours, and are confident, relying on their general good sense and right feelings, that the moment the development of the true character of the combined and allied opponents of Democracy is exposed, they will promptly and cheerfully unite once more with us in sustaining a common cause, with a sincerity and zeal worthy of their elevated character, and their devotion to the rights and interests of the South. And your Committee concur with his Excellency in the belief, that the people of every section of the Union firm in their principles, and resolved in their purposes, will once more rally in the great cause of Democracy, and reinstate in office its original and unwavering disciples.

That the late election of President of the U. States was corrupt and indecent, wholly unworthy of a sober and discreet public, and calculated to degrade our country, in the eyes of the world, observation and rumor, too well founded; it is believed, induces us to lament. The resort to silly pageantries, ridiculous emblems, and vulgar dissipation, was an insult upon the dignity of freemen, and could only proceed from an utter contempt of their intelligence, and a readiness to degrade them to the level of the servile populace of transatlantic monarchies. That funds to a vast amount were lavished, was palpable; and when it is recollected, that the prize to be gained by opposition, was the control of the revenues of the Union, the resuscitation of an expiring monied institution, whose stock is so largely owned abroad, and above all, the delusive hope that there was a magic in change, that would relieve men from the losses of improvidence or misfortune, there is great reason to conclude that the elective franchise was polluted by most extensive bribery and corruption.

There was a feature, too, in the late election, still more odious. Men high in station, and surrounded by the respect of the public, going about the country, inflaming the passions, alarming the fears, and misleading the judgments of the people, was a spectacle degrading to our whole country, degrading to us as a moral and high-minded people, and can only be ascribed to that peculiarity in the human character, which leads men, banded together for a common purpose, to do what, as individuals, they would revolt at and repudiate. When men of character would assert, in the face of day, that the distribution of the public treasure, raised by the Representatives of the people, and paid away by appropriations made by law, was usurping "the power of the purse," which every one knows is the power to raise money without the consent of the people; and still more absurd, that they should represent militia men, called out to drill, ten days in the year, as a standing army, we are amazed at the self-complacency that did not blush at the deception. No: the unpardonable sin of the present administration was, its repudiating a chartered monopoly, to receive & loan the public treasure, and retaining it in the treasury of the United States—its gradual return to a sound, constitutional currency—and its resolution, not to entangle Government, with any money-dealers or stock-jobbers—but leave to the States to regulate their banking institutions as they deem best; and upon the wisdom and policy of this great measure, South Carolina concurs with it and is ready to renew the expression of its sanction and approval.

This State has only to repeat her objections to a Tariff for protection, and when the Tariff compromise ends, she expects a fair adjustment of a new Tariff for revenue, in name and in fact. The result of the election of President has not shaken the faith of South Carolina in her long-cherished principles.

From the Globe.

GENERAL JACKSON AND THE BANK OF THE UNITED STATES.—The public will recollect the earnestness with which Gen. Jackson, in several of his messages, urged the passage of laws to compel the complete winding up of the late Bank of the United States, and the redemption and payment of its notes in circulation.—He plainly intimated his belief that the public would be cheated in these notes, and the character of the United States suffer in consequence of their non-payment. What his sagacity foresaw the public are beginning to see. These old dead notes are now outstanding to an unknown, but to a vast amount. They are seen in all the middle, Southern, and Western parts of the Union; and it seems to be no use to send them to Philadelphia; for they are immediately sent out again, and pushed into circulation. This is what we all see here; but our London notices of the bank give us some further insight into this business. Our readers know that the Bank of the United States, in violation of its charter, and in contempt of the Pennsylvania Legislature, refuses to make an exhibition of its affairs in this country; but it dare not act in that matter with its British owners: it is obliged to make exhibitions to them; and accordingly the last London Morning Chronicle, the demi-official organ of what may be called modern Whiggery in England, and the accredited organ of the Bank of the United States, contains an exhibit of the situation of the Bank, by Mr. Jaudon, in which, while putting the best foot foremost, and evidently encouraging the British stockholders to uphold the insolvent institution until the Harrison Administration can come to its relief, we see the following item under the head of liabilities:

"Circulation of the late and present Bank, \$9,725,508."

Thus we see an item of near ten millions of dollars of outstanding circulation, headed late and present Bank. This is conclusive that the notes of the old Bank are now outstanding, but to what amount is a secret, concealed from the public by jumbling the two circulations together, and making one item of the whole. Thus is the sagacity of General Jackson made manifest, and besides that, new evidence is afforded to cover the panic makers of 1833-4 with shame and confusion. These retainers of the Bank justified all her panic and pressure then, on the ground of her absolute necessity to wind up in two years—to collect her obligations and pay all her debts in that time; the circulation especially was all to be redeemed in that

time. Such was the daily assertion of the panic orators—such their daily excuse for the pressure on the community. Now it is all proved to be false. Here is the admission of the Bank, seven years after the panic, that the old circulation is still outstanding! that there may be millions of it yet out! Such is the fraud and impudence of this British Federal institution.

SAVANNAH, Dec. 31.

Capt. Meekin and two of the crew of the schr. Time, of Washington, (N. C.) were yesterday examined before Justices Terstille and McDonald, on the charge of passing notes of the denomination of five dollars, purporting to be of the Bank of Camden, (S. C.)—the signatures and the filling up of which were ascertained to be fictitious. The evidence against them, we learn, was of such a nature as to warrant their committal to jail to await their trial at the ensuing term of the Superior Court next month. The impressions of the notes are pronounced to be true, from which fact it is supposed they were recovered from the wreck of the steamer Home, lost on the coast of North Carolina, some three years since. The schr. arrived at this port on the 25th inst, from Elizabeth City, (N. C.) with a cargo of corn, and we learn that since that time about \$70 of this spurious money is already ascertained to have been passed in this city. The names of the sailors implicated are W. Hooper and S. Pew.

Rep.

ABOLITION.—We give below an extract taken from the "Philanthropist," a rabid Abolition journal published in Cincinnati. We ask for it a calm perusal from the South; we ask for it that consideration which it demands. It comments for itself.

..... "Van Buren has received the votes of only two free States and five slaveholding States. The free States have been cemented by the power and influence of Abolitionists, and will remain cemented. Let the South mark this prediction: There is nothing to sever the free States on the question of slavery.—They will continue to complain of the inequality of representation in the House of Representatives of the United States and the sin of slavery; and as they have a pledge from Gen. Harrison, "that he will veto nothing," they feel encouraged to go on under the expectation which seems to be well grounded, that the "free States will hereafter invariably control the election of President and eventually array the whole of the Executive power against slave representations, and slavery as it exists in the States."

The New York Herald of Friday, speaking of exchange on the South and the indications of a general resumption, has the following remarks:

The rates of premium on specie indicate the degree of depreciation of the local currencies throughout the South, and the different degrees of indebtedness to the commercial centre of the Union. It will be observed that the rate of bills on England, being in depreciated currencies, are generally lower than at this port, and are in every instance below par for specie. Whether the proposed resumption will extend to all these points or not, is yet problematical. Letters from New Orleans are confident that it cannot be effected there. The resumption by the United States Bank is a juggle, and will in all probability not last three months. New Orleans is a commanding point, and the branch of the United States Bank there and the Merchants Bank, exert as great an influence as the mother bank does in Philadelphia. Popular opinion does not set so strongly in favor of resumption in the former, as in the latter city. It is therefore feared that non-resumption in New Orleans will be made the cloak for another suspension at an early day, unless the deposits of the federal government are restored the United States Bank. If this cannot be effected, a new suspension and derangement of affairs, will make it the instrument of new political intrigues.

Dr. Crossman of Philadelphia, in a note published in the papers of that city, states that since the 1st November he has performed the operation for the cure of Strabismus, or squinting, on sixteen persons with success. He says that this operation has been attempted by other persons in that city; who are incompetent, and who have put patients to much pain and suffering, without the least alleviation. He adds: "The operation for Strabismus in skilful hands, lasts but one minute, or less. When compared with other operations, the pain is trifling. No confinement, or bandaging of the eye, or dieting, is required afterwards. Ordinary business can be attended to. When correctly and thoroughly performed, ninety-four in the hundred are perfectly cured without the necessity of a repetition, showing perhaps, more than in any other instance, the great utility of surgery."

SALE.

I WILL sell on the first Monday in February next, at the Courthouse, at 12 o'clock, M., a valuable Negro Woman called Amelia, to foreclose a mortgage on said Negro, executed by D. E. Reid, to John McCaa and John Cantey, and sold under said mortgage as his property.

Terms—Cash; purchaser to pay for bill of sale. B. GASS, Agent.
Jan. 1840. 4t pr adv. 22