gan's argument was to stop the passage of the bill. And we presume, that even now, armed as the claimant may consider himself by the verdict just rendered, Congress will not sanction the claim, until this question of boundary shall be fully and fairly settled by the Supreme Court of the U. States. Congress has no jurisdiction over this question—it is not the proper tribunal—and yet if this bill be passed it will amount to a legislative decision of a judicial question, to the prejudice of this State —*Del. Journal.*

PRESIDENT'S MESSAGE.

Fellow Citizens of the Senate and of the House of Representatives:

Addressing to you the last annual message I shall ever present to the Congress of the United States, it is a source of the most heartfelt satisfaction to be able to congratulate you on the high state of prosperity which our beloved country has attained; with no causes at home or abroad to lessen the confidence with which we look to the future for continuing proofs of the capacity of our free institutions to produce all the traits of good government the general condition of our affairs may well excite our national pride.

I cannot avoid congratulating you and my country, particularly, on the success of the efforts made during my administration by the Executive and Legislature, in conformity with the sincere, constant and earnest desire of the people, to maintain peace, and establish cordial relations with all foreign powers. Our gratitude is due to the Supreme Ruler of the Universe, and I invite you to unite with me in offering to Him fervent supplications, that his providential care may ever be extended to those who follow us, enabling them to avoid the dangers & the horrors of war, & cherishing with a just and indispensable regard to the rights and honor of our country. But, although the present state of our foreign affairs standing, without important change, as they did when you were parted in July last, is flattering in the extreme, I regret to say, that many questions of an interesting character & issue with other powers are yet unadjusted — Amongst the most prominent of the evils that of our Northeastern Boundary. With an undiminished confidence in the sincere desire of his Britannic Majesty's government to adjust that question, I am not yet in possession of the precise grounds upon which it proposes a satisfactory adjustment.

With France our diplomatic relations have been resumed, and under circumstances which attest the disposition of both governments to preserve a mutually beneficial intercourse, and foster those amicable feelings which are so strongly required by the true interests of the two countries. With Russia Austria, Prussia, Naples, Sweden and Denmark, the best

passionate and just view of this subject, and not be disposed to construe a measure of justifiable precaution, made necessary by its known inability, in execution of the stipulations of our treaty, to act upon the frontier, into an encroachment upon its rights, or a stain upon its honor.

In the meantime, the ancient complaints of injustice, made on behalf of our citizens, are disregarded and new causes of dissatisfaction have arisen, some of them of a character requiring prompt remonstrance and ample and immediate redress. I trust however, by tempering firmness with courtesy, and acting with great forbearance upon every incident that has occurred, or that may happen, to do and to obtain justice, and thus avoid the necessity of again bringing this subject to the view of Congress.

It is my duty to remind you, that no provision has been made to execute our treaty with Mexico for tracing the boundary line between the two countries. Whatever may be the prospect of Mexico being soon able to execute the treaty on its part, it is proper that we should be in anticipation prepared at all times to perform our obligations, without regard to the probable condition of those with whom we have contracted them.

The result of the confidential inquiries made into the condition and prospects of the newly decided Texan Government, will be communicated to you in the course of the session.

Commercial treaties, promising great advantages to our enterprising merchants and navigators, have been formed with the distant Governments of Muscat and Siam. The ratifications have been exchanged, but have not reached the Department of State; copies of the treaties will be transmitted to you, if received before, or published, if arriving after the close of the present session of Congress.

Nothing has occurred to interrupt the good understanding that has long existed with the Barbary powers, nor to check the good will which is gradually growing up in our intercourse with the dominions of the Government of the distinguished Chief of the Ottman Empire.

Information has been received at the Department of State that a treaty with the Emperor of Morocco has just been negotiated, which, I hope, will be received in time to be laid before the Senate previous to the close of the Session.

You will perceive, from the report of the Secretary of the Treasury, that the financial means of the country continue to keep pace with its improvement in all other respects — The receipts into the Treasury during the present year, will amount to about $17,691,498; those from customs being estimated at $12,523,151; those from lands at about $24,000,000, and the residue from miscellaneous sources. The expenditures for all objects during the year, are estimated not to exceed $22,000,000 which will leave a balance in the Treasury for public purposes on the 1st day

gained the genius of our free institutions; to lock up in the vaults the treasure of the nation. To take from the people the right of bearing arms, and put their weapons of defence in the hands of a standing army, would be scarcely more dangerous to their liberties than to permit the Government to accumulate immense amounts of treasure beyond the supplies necessary to its legitimate wants. Such a treasure would doubtless be employed, at the same time, as it has been in other countries, which opportunity tempted ambition.

To collect it merely for distribution to the States, would seem to be highly impolitic, if not as dangerous as the proposition to retain it in the Treasury. The shortest reflection must satisfy every one that to require the people to pay taxes to the Government merely that they may be paid back again, is sporting with the substantial interests of the country, and no system which produces such a result can be expected to receive the public countenance.— Nothing could be gained by it, even if each individual who contributed a portion of the tax could receive back promptly the same portion. But it is apparent that no system of the kind can ever be enforced, which will not absorb a considerable portion of the money to be distributed in salaries and commissions to the agents employed in the process, and in the various losses and depreciations which arise from other causes; and the practical effect of such an attempt must ever be to burden the people with taxes, not for purposes beneficial to them, but to swell the profits of deposite banks and support a band of useless public officers.

A distribution to the people is impracticable and unjust in other respects. It would be taking one man's property and giving it to another. Such would be the unavoidable result of a rule of equality (and none other is spoken of, or would be likely to be adopted) inasmuch as there is no mode by which the amount of the individual contributions of our citizens to the public revenue can be ascertained. We know that they contribute *unequally*, and a rule therefore that would distribute to them *equally*, would be liable to all the objections which apply to the principle of an equal division of property. To make the General Government the instrument of carrying this odious principle into effect, would be at once to destroy the means of its usefulness, and change the character designed for it by the framers of the constitution.

But the more extended and injurious consequences likely to result from a policy which would collect a surplus revenue for the purpose of distributing it, may be forcibly illustrated by an examination of the effects already produced by the present deposite act. This act, although certainly designed to secure the safe keeping of the public revenue, is not entirely free in its tendencies from many of the objections which apply to this principle of distribution. The Government had, without necessity, received from the people large surplus, which instead of being employed as

gree of injustice in the operation of the Federal Government which would be fatal to the hope of perpetuating it. By the ratio of direct taxation, for example, the State of Delaware, in the collection of $30,000,000 of revenue, would pay into the Treasury $188,716. and in a distribution of $30,000,000 she would receive back from the Government according to the ratio of the deposite bill, the sum of $306,122: and similar results would follow the comparison between the small and the large States throughout the Union; thus realizing to the small states an advantage which would be doubtless as unacceptable to them as a motive for incorporating the principle in any system which would produce, it as it would be inconsistent with the rights and expectations of the large States. It was certainly the intention of that provision of the constitution which declares that 'all duties, imposts and excises' shall be uniform throughout the United States,' to make the burdens of taxation fall equally upon the people in what ever State of the Union they may reside.— But what would be the value of such an uniform rule if the moneys raised by it could be immediately returned by a different one which will give to the people of some States more, and to those of others much less than their former proportions? Were the Federal Government to exempt, in express terms, the imports, products, and manufactures of some portions of the country from all duties, while it imposed heavy ones on others, the injustice could not be greater. It would be easy to show, how by the operation of such a principle, the large States of the Union would not only have to contribute their just share towards the support of the Federal Government but also have to bear in some degree the taxes necessary to support the Governments of their smaller sisters: but it is deemed unnecessary to state the details where the general principle is so obvious.

A system liable to such objections can never be supposed to have been sanctioned by the framers of the constitution, when they conferred on Congress the taxing power and I feel persuaded that a mature examination of the subject will satisfy every one that there are insurmountable difficulties in the operation of any plan which can be devised by collecting revenue for the purpose of distributing it — Congress is only authorised to levy taxes *'to pay the debts and provide for the common defence and general welfare of the United States.'* There is no such provision as would authorise Congress to collect together the property of the country, under the name of revenue, for the purpose of dividing it equally or unequally among the States or the people. Indeed, it is not probable that such an idea never occurred to the States when they adopted the constitution. But, however this may be, the only safe rule for us in interpreting the powers granted to the Federal Government, is to regard the absence of express authority to touch a subject so important and delicate as this as equivalent to a prohibition.

Without desiring to conceal that the experience and observation of the last two years have operated a partial change in my views upon this interesting subject, it is nevertheless regretted that the suggestions made by me in my annual messages of 1829 and 1830, have been greatly misunderstood. At that time the great struggle was begun against that latitudinarian construction of the constitution, which authorizes the unlimited appropriation of the revenues of the Union to internal improvements within the States tending to invest in the hands, and place under the control, of the General Government, all the principal roads and canals of the country, in violation of State rights, and in derogation of State authority. At the same time, the condition of the manufacturing interest was such as to create an apprehension that the duties on imports could not, without extensive mischief, be reduced in season to prevent the accumulation of a considerable surplus after the payment of the national debt. In view of the dangers of such a surplus, and in preference to its application to internal improvements, in derogation of the rights and powers of the States; the suggestion of an amendment of the constitution to authorise its distribution was made. It was an alternative for what were deemed greater evils - a temporary resort to relieve an overburdened treasury, until the Government could, without a sudden and destructive revulsion in the business of the country, gradually return to the just principle of raising no more revenue from the people, in taxes, than is necessary for its economical support. Even that alternative was not spoken of but in connection with an amendment of the constitution. No temporary inconvenience can justify the exercise of a prohibited power, or a power not granted by that instrument; and it was from a conviction that the power to distribute even a temporary surplus of revenue is of that character, that it was suggested only in connection with an appeal to the source of all legal power in the General Government, the States which have established it. No such appeal has been taken, and in my opinion a distribution of the surplus revenue by Congress, either to the States or the people is to be considered as among the prohibitions of the constitution — As already intimated my views have undergone a change so far as to be convinced, that no alteration of the constitution in this respect is wise or expedient. The influence of an accumulating surplus upon the legislation of the General Government and the States, its effects upon the credit system of the country, producing dangerous extensions and ruinous contractions, fluctuations in the price of property, rash speculation, idleness, extravagence, and a deterioration of morals, have taught us the important lesson, that any transient benefit which may attend the reduction of our revenue to the wants of our government, is to be borne in preference to an overflowing treasury.

I beg leave to call your attention to another subject intimately associated with the proper

which experience has proved to be necessary, not only in this, but in all other commercial countries. Where those proportions are not infused into the circulation and do not control it, it is manifest that prices must vary according to the tide of bank issues, and the value and stability of property must stand exposed to all the uncertainty which attends the administration of institutions that are constantly liable to the temptation of an interest distinct from that of the community in which they are established.

The progress of an expansion, or rather a depreciation of the currency, by excessive bank issues, is always attended by a loss to the laboring classes. This portion of the community have neither time nor opportunity to watch the ebbs and flows of the money market. Engaged from day to day in their useful toils, they do not perceive that although their wages are nominally the same, or even somewhat higher, they are greatly reduced in fact by the rapid increase of a spurious currency, which, as it appears to make money abound, they are at first inclined to consider a blessing. It is not so with the speculator, by whom this operation is better understood, and is made to contribute to its advantage. It is not until the prices of the necessaries of life become so dear that the laboring classes cannot supply their wants out of their wages, that the wages rise, and gradually reach a justly proportioned rate to that of the products of their labor. When thus by the depreciation in consequence of the quantity of paper in circulation, wages as well as prices become exorbitant, it is soon found that the whole effect of the adulteration is a tariff on our home industry for the benefit of the countries where gold and silver circulate, and maintain uniformity and moderation in prices. It is then perceived that the enhancement of the price of land and labor produces a corresponding increase in the price of products, until these products do not sustain a competition with similar ones in other countries; and thus both manufactured and agricultural productions cease to bear exportation from the country of the spurious currency, because they cannot be sold for cost. This is the process by which specie is banished by the paper of the banks. Their vaults are soon exhausted to pay for foreign commodities; the next step is a stoppage of specie payment; a total degradation of paper as a currency; unusual depression of prices; the ruin of debtors, and the accumulation of property in the hands

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