The Cambridge Chronicle.

JOSEPH R. ECCLESTON,] "LIGHT FOR ALL." [Editor & Proprietor

NEW SERIES—VOL. 7. CAMBRIDGE, MD.—SATURDAY MORNING, MARCH 2, 1844. NUMBER 23

TERMS.

PUBLISHED EVERY SATURDAY MORNING

At two Dollars and Fifty Cents per annum, payable half yearly in advance. No subscription will be received for a shorter period than six months, and no paper discontinued until all arrears are paid.

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SPEECH OF JAMES A. STEWART, Esq.

of Dorchester County, in the House of Delegates of Maryland, in Committee of the Whole, on the Bill reported by the Committee of Ways and Means, for the collection of the Taxes.

Mr. Chairman,—It was not my design, originally, to have engaged in the discussion of the bill under consideration, in this stage, but as the whole merits of the plan for the collection of the taxes, recommended by the majority of the committee of ways and means, had been exhibited, and an elaborate argument presented by an eloquent member of the committee, (Mr. Yellott of Harford,) I shall beg leave to avail myself of the occasion, at once to offer such views to the consideration of the committee of the whole, as will govern, at least, my own action upon the bill. Allow me, sir, before I proceed with my general argument, to express my regret, that any party *allusion*, in connection with the grave question before us, should have been made; but as it has pleased my honorable colleague (Doctor Phelps,) to travel out of the regular path to animadvert upon the course of distinguished members of the Democratic party as such, and with a view to fasten upon that party the high responsibility for the heavy embarrassments of the State, I am sure, the committee will excuse me, for very briefly vindicating that party and prominent members thereof, from the unjust odium attemped to be cast upon them by the fallacious strictures of my colleague.

The course pursued by ex-Governor Grason in the House of Delegates in the session of 1837, and also, the position of Gov. Thomas, in relation to your public works, have been introduced with some severity, by my colleague. Sheer justice to them and to all parties concerned, demand that my colleague's remarks, on this topic, should not be disregarded, and, sir, inasmuch as those distinguished gentlemen are identified with the Democratic party, and both of them have been elected to the most exalted post under your State Government, a specific reference to their official course, in relation to your public works, will be fully justified by the occasion. I am sure, it will be apparent, from a faithful examination of their conduct, that if any opprobium necessarily belongs to the authors of your public debt, the sin is not properly chargeable upon the Democratic party, if those gentlemen are to be considered fair exponents of the views and principles of that party. Look, sir, to the records of the House in the memorable session of 1835, when the great mammoth Bill, as it has not been improperly termed, was in contemplation—who was the author of the celebrated report upon that subject, to be found among your public documents, (document K.) A distinguished gentleman of my colleague's own party, now representing the State in the U. S. Senate, has the honor, as chairman of the committee of ways and means, at that session, of presenting to the House, a most magnificent and flattering picture in prospective of your State, under the happy influences of the system of Internal Improvement, to be fostered and encouraged by the passage of a bill, recommended by that committee, to borrow eight millions of dollars. Under the fruition of the gigantic schemes projected, the citizens of your State were to be the happiest people upon the face of the earth. If you have any taste for the sublime, and for wild adventure, peruse that report, and your curiosity will be amply repaid for the investigation. Let me only, by way now merely of amusing reminiscence, refer to the rhapsody with which that remarkable document concludes:

"When the sure realization of such results shall have come, what son of our soil, wandering from his home will not feel the burthen of each remove more and yet more insupportable—with what affection will he not ponder on the domestic altar, sighing to behold again, the green fields, bright sunshine, and laughing waters of his natal spot—and how will his soul swell to find dwelling in the applause of nations, Maryland—heart of the Union—the enterprizing—steadfast—unterrified—unseduced."

This certainly is a most enchanting view of the destiny of your State, at least on paper; but sir, it was a day dream, then, of the honorable chairman of ways and means, and you now have the sober reality, in the bill under consideration, exhibited by another honorable chairman of ways and means, (Mr. Johnson.) Yes, sir, a sorrowful bill to enforce the collection of your taxes. Look on that picture, and then on this—look at the first chairman, when he opens the play, and then look at my friend, the second chairman of ways and means, when he proceeds to wind up the drama, by his bloody bill to make war upon the pockets of your people. Do they not, as a part of this history, exhibit the incidents of human life, in sad reverse. The one exalts you to the skies in fancy, and the other prostrates you to the dust by his bill of desolation. Strange contrast—both belong to my colleague's party, and in the short period of seven years you find them, as chairmen, performing very different duty. I advert to these great epochs, in no spirit of unjust criticism, but as faithful portions of the history of your public debt. Gladly would I cast my eyes forever upon the first picture, but the honorable chairman before me, will not allow me to indulge the fancy.

Well, sir, to come back to the narrative of that session, the same honorable chairman, believing that the State, in her extended enterprizes and developed resources, under the new impetus to be afforded by the additional introduction into the State of eight millions of dollars, would need a large augmentation of Bank capital, to supply the State with adequate currency, recommended the incorporation of a batch of eight new banks. This policy prevailed. The bill to borrow the eight millions, passed June 4th, 1836, (see chap. 395 of acts passed at the extra session. Whether the distinguished gentleman, who then presided over the committee of ways and means, and who made the memorable report to which I have adverted, in his prophecy, correctly described the progress of the future events, it does not now require a mathematician from, existing developments, to demonstrate. It is true, the works are incomplete, and I am apprehensive likely to remain so, and therefore the prognostications have not reached their denouement, but in the interim, in which the events were not intermediately located, facts have been so startling, that certainly in this period of the vision, it is not an easy task to enjoy the happy fulfilment of the prophecy. It may come to pass in the latter days, or on the advent of the Millenium, if that happy period ever arrives—but the promised land is so far in the distance, that I fear, like the Israelites of old, we must pass through a wilderness of sorrow and tribulation before we reach it. And, sir, if Father Miller is right in his calculations, as to the end of all things, we never shall reach the fruition of the dream—but sir, there is one consolation connected with this fearful catastrophe of nature—I suppose, in that event, every man will consider that, amongst other things, the system of taxation will be effectually abolished.

Mr. Chairman—The profoundest philosopher and the wisest statesman, are not permitted to penetrate deeply into the arcana of untold events, and the greatest of men, are but children of a larger growth. Under the happiest vaticinations, the Eight Million Mammoth rested, not in quiet repose upon your statute book, but sir, even that monster had some redeeming qualities, which do credit to its author, and demonstrate his sincerity. The eleventh section provides that the commissioners should not be authorised to sell your bonds or certificates at a price which should produce to the State less than twenty per cent. nett, above the par or sum of your certificates of stock or bonds. That premium was to constitute a sinking fund, by which gradually to absorb the principal of the debt. If this guaranty had been observed in the sequel, your State, I doubt not, would have been in a better condition.

Well, sir, as this country was not large enough to furnish food for the monster, your commissioners repaired to Europe, on a voyage of discovery, or rather of undiscovery, for the capitalist, in that quarter, would not unlock his treasures, and they returned with the unwelcome news that they could not meet with a purchaser. In this dilemma, your internal improvement companies themselves, sooner than the State should go begging, manfully came to the rescue of the dishonored credit of the State, and your commissioners made an arrangement with them, the beneficiaries, to take the bonds. There is a sort of mysticism about this transaction, that in order for you fully to comprehend it, I must refer you to the proceedings themselves in detail. I have not time to look into the merits of this financial scheme. It is certain, doubts were entertained of the legality of the arrangement, but as one of the distinguished commissioners having charge of the matter, was the learned and able Chief Justice of your State, the scruples of the doubting lost much of their force.—In this position of affairs, Mr. Grason, in the session of 1837, offered his famous resolutions, referred to by my colleague, (see Journal of the House, Dec. session, 1837, page 329, which whilst they recognized the legality of the contract, required its strict fulfilment according to the letter of the statute, and insisting upon the redeeming quality, the 20 per cent. premium in cash. If those resolutions had been adhered to, the State would have suffered no detriment, because the companies could not have received your bonds, without paying the money therefor, amounting to $120 for every $100 of bonds or certificates; and I am sure there is no member of this House that will for one moment believe, that the companies could have effected this.—Those resolutions, certainly as I understand them, substantially rendered the arrangement moperative in part, by placing it beyond the power of the companies to comply with the proviso of your statute, and thus the interest of your State was amply protected, without raising the doubtful question as to the ability to repudiate the contract made by the commissioners. Those resolutions did not suit the views of the companies, as was manifest from the fact afterwards, that Mr. Alexander, a prominent member of the party to which my colleague belongs, I believe, with a view of superceding them, presented his cormorant resolutions, which, with a law passed afterwords, to change your currency into sterling bonds, effectually swept off all the safeguards thrown around the investment of the eight millions of State bonds, and by another financial piece of diplomacy, allowed the obligations of the companies for the 20 per cent. premium, to be substituted in lieu of that amount in cash. Mr. Alexander's resolutions passed, see Journal of the House, December session 1837, page 519, and on page 624 the vote. Mr. Grason voted against them.

The records I hold in my hands, prove these facts.—I will not read the yeas and nays, because there may be some nervous gentlemen here, who might be disturbed. Col. Hearn of Worcester requested Mr. Stewart to read out the names, which was done, and amongst others Mr. H. appeared in good company voting in the negative.) With these resolutions of Mr. Alexander's, away went Mr. Grason's—away went the 20 per cent. premium, and away went alas! the redeeming virtues of the celebrated eight million bill, which originated, as I have described, under the magnifying influences of visionary prophecy, and continued its progress in legislative certificated mysticism, and which is likely to terminate in the pretty well certificated bankruptcy of your State, without effecting the completion of your Canal. The history of this whole proceeding, I think, if my colleague will carefully examine into it, clearly shews, that no fault can be found with ex-Governor Grason, so far as his connection at least with this matter is concerned. If that gentleman came into power at the head of the Democratic party, I submit to the committee, supposing the internal improvement fever raged, whether his course upon this subject was calculated to secure that influence. No, sir, other issues and other means effected his ascendency over his honorable and high-minded competitor (Mr. Steele,) whom I am proud to number among my most honest and enlightened constituency. So much for Mr. Grason and his resolutions. My colleague can make the most of them, if they will afford him any light on this gloomy subject of State embarrassment.

Gov. Thomas is equally exempt from responsibility in relation to your works of internal improvement.—When the mania inflamed the imagination of many of our leading fellow citizens, and the popularity of the policy of internal improvement was considered unquestionable, you find him in his public demonstrations, warning the people of this State, within his reach, against the fallacy of the extravagant calculations of success advanced. This distinguished member of the Democratic party has repeatedly been in your halls of legislation, when this system has been in progress, and sir, search your journals, and you will not, I apprehend find his name recorded in favor of the system. When your State had become deeply involved in the progress of the works, and had her millions invested, and their completion appeared indisdensable to relieve in some measure, it was hoped, the exhausted condition of your Treasury—and when to retreat, seemed the worst of folly—when apathy had seized the public mind, which in a spirit of reacting madness appeared disposed to abandon all for lost—when any experiment towards their completion was esteemed hazardous to any man's popularity, you find Governor Thomas, in the manly spirit of an honest, independent and enlightened statesman, urging the completion of your public works, and thus exhibiting demonstrable evidence of Roman patriotism. It may well be doubted, in this state of the public mind at the time of his election throughout the State, if his views upon this subject gained him more friends than enemies. So much for Gov. Thomas and his identification with your public works.

Which of the great parties of the country, the Whig or Democrat, must bear the responsibility of originating fostering and sustaining the system of internal improvements in the general government and in this State, every man can soon decide for himself. No doubt in the palmy days of delusion and extravagance, when the policy was in high repute, some members of both parties, from general considerations, and others from local interests, sustained the system; but if it be a true axiom in political economy, as connected with the administration of public affairs under our system of government, that the party in power at the time, must assume and be held to the responsibility for all acts done by their conveniance or consent, then I apprehend, our worthy friends, the party to which my colleague belongs, must take that party responsibility, because they had the control of the councils of your State from Gov. Carroll's to Gov. Grason's administration, and in this interval, the heavy investments of your State in the system, had their chief origin and consummation. Yes sir, that responsibility, fearful or otherwise, must stick to the Whigs or National Republicans, like the poisoned shirt of Nessus.

Coming from a section of the State not so much interested in the system, and not even claiming the *Rail Road bonds*, yet I am free to confess, that if your State had prudently embarked in the policy of improving her resources, according to the ability of her people, by projecting and finishing works honestly and accurately ascertained to be practicable and profitable, and one at a time, that section I am sure would have very generally interposed no serious objection, I apprehend, to such a course, but the madness and folly which animated our Western Shore brethren in projecting schemes, which might well have been left for accomplishment, to at least three generations of our successors, has paralysed all your energies. Whence came this blighting system? Is it not apparent, that it has grown out of your wild and immense paper and credit system, which has been carried out to such an extent, that it has fallen from its own overgrown weights. Yes, sir, the bubble has exploded, and you have seen disaster and wreck in all the industrial departments of society.

This adventurous policy originated in this country, with that distinguished statesman, Alexander Hamilton, and was opposed in the beginning by the sagacious and comprehensive mind of the American opostle of liberty, old Thomas Jefferson. If the counsels of the latter patriot had been followed by all the departments of your government from his day down, your country would have avoided the destructive fluctuations in the prosperity of her people, which have scattered to the four winds that stability in business, which ought to have characterized stern Republicans.

Well, sir, what prominent statesman of modern times has adopted for his creed, the same extravagant policy, and proceeding from the same theory? No man, I am sure, is more pre-eminent in this connection than the impersonation of modern Whiggery itself, Henry Clay. Is he not considered and so held up by his advocates, as the father, not grandfather, of the miscalled American System, embracing a high Tariff for protection, Bank of the United States, Internal Improvement, Distribution of the proceeds of the Public Lands, a sweeping and sponging Bankrupt Law, and shall I say Assumption of your State debts by the general government? I will not say that he is in favor of this last new fangled scheme, for I do not know his views upon it, and am rather inclined to think that he is adverse to that—but I understand him as going for such a loose constuction of your Federal constitution, and for the exercise of such doubtful powers, and withal, his utilitarian notions, as contra-distinguised from right and proper, are so pre-dominant, that I shall not be surprised to find him availing himself of this plausible project.

Well, sir, what has been the effect of this policy—has not your ultra Tariff scheme shaken the foundation of your Government and produced the greatest disorder and strife, and has it not at the same time by conferring bounties upon one section, perpetrated a system of plunder and spoilation upon the other sections, who have had to pay a double tax upon production and consumption? Has not your National Bank after lending wings to the paper system, invited all sorts of extravagance, and in the place of regulating your currency and checking exorbitant issues, been one constant scene of derangement and vascillation, and has it not, in its downfall, exhibited to the world the most magnificent and stupendous monument of folly and fraud which ever disgraced any people upon the face of the earth? Has it not been a perfect Babylon of vice, mischief and all sorts of immorality? Who is there now to stand up and proclaim its merits? That great wonder has ceased, and since its overthrow, as if to mock the calculations of the financial soothsayer, has not your currency improved, and are not now your local Banks supplying you quietly and regularly with a cheap and uniform circulating medium? Will you be unskilful as to lessons of the past, and madly rush again into such a pandemonium of folly and delusion? I dare say, Mr. Chairman, if it had not been for this potent engine of extravigance, your State would not have been so immeasurably involved.

The argument you recollect was, that such a giant institution as a National Bank, was our only means of obtaining foreign credit and capital—that whilst your local banks were entirely too limited in their operations for such an extended scheme for external resources, a national institution had credit abroad and therefore was to be preferred, and, indeed, was indispensably necessary in our trade and intercourse with foreign nations. Supposing the position a sound one, what has been the consequence? Has it not encouraged and enabled us to command credit abroad, beyond our resources, and are we not now paymg dearly for such accommodations? Would it not have been far better for us, sir, if we had possessed no circulating medium, superior to the homely one used by our sturdy and oldfashioned republican ancestors, the Tobacco currency, than to have possessed this gaudy and delusive modern paper phantom? Why, sir, if the argument in favor of a Bank of the United States be true, that it is our only means of obtaining foreign credit, then, it may be well maintamed, that if no such institution had existed, you would have avoided your existing foreign debt, and that although your speculating representatives enacted laws to borrow money, they would in the absence of such a bank, have had no means of procuring it.—Think of that, Mr. Chairman, and determine whether you will consider such a bank an "obsolete idea"—and if that illustrious patriot, Andrew Jackson, did not do the country service by his veto in making it an "obsolete idea."

The Internal Improvement fever also raged in the councils of the nation, and was a favorite hobby with Mr. Clay, and I believe great credit was claimed for Mr. Adams, as he was considered sufficiently immortalized by having first broken ground, with his spade, upon the line of your canal. The daring adventurer who set fire to the glorious temple of Ephesus, is just as immortal as the fame of that same temple. The Democratic party at head quarters, with the Hero of Orleans at the head, opposed the wild and rash system of internal improvement by the general government, and you no doubt well remember his famous veto of the Maysville Road Bill. At that time there were projects of the same sort on foot which it was computed would in their execution have cost the nation two hundred millions of dollars—about the amount of stock said now ought to be issued from that quarter for the relief of the States. Can it be doubted for a moment, that if it ha l not been for that veto, the United States would have been in a similar predicament as that of the indebted States, and would now have been with an utterly bankrupt treasury? The two great parties divided on this question at head quarters—John Quincy Adams and Henry Clay going for the system of internal Improvement, with their political friends, and General Jackson and his supporters against it. All great parties in this country have taken their origin from the general government, and from thence have extended throughout the States, and there the Whig and Democrat divided on this question. When the system was overthrown in that direction, you find its scattered forces and friends gathering strength in the States—and in this State I have shewn you, that the party friends of my colleague were remarkable for their assiduity and perseverance in recommending the system to the good people of this State. Will our Whig brethren, upon a fair review of their acts, their policy and their position, stand up and boldly deny their party responsibility for the heavy debt of the State on account of her works of Internal Improvement? If they will, then, sir, "history is not philosophy teaching by example."

I dare say, as the father of this American System will be, in the ensuing Presidential canvass, proclaimed as the only available deliverer of the people from their present thraldom, I have no doubt the documents and all the evidence in relation to his authorship and identification with this speculative system of Internal Improvement and paper extravagance, will be fully exhibited to your people, and if they are not now satisfied of his visionary and Utopian notions on these subjects, they will have ample opportunity for the fullest investigation. I believe I have given you, in the premises, a faithful account from your own annals.

Mr. Chairman, we have all seen the calamities of the country, brought about by these delusive schemes of fancied prosperity. We all have witnessed the said experiment, and are now withering under the blasting effects. The day of reckoning has come. In our own State, the burial place of your ancestors, and the homestead of their wayward children, we are spell-bound. Your giant works are unfinished—your credit, alas, is consigned to the tomb of the capulets—GONE. Your people are taxed—disaster and disastrous suspense reign triumphant. We are in an awful crisis—what is to be done—shall we ignobly abandon the State, so gallantly settled and defended by your venerated forefathers, and leave her in a condition of desperate insolvency, or attempt to relieve her fallen fortunes—try her recuperative energies, by resuscitating her credit—manfully meet our engagements as good citizens, or shall we like reckless gamblers, tarnish her lustre, and allow repudiation to preside as the guardian Divinity? If you could take the benefit of the Bankrupt law, possibly you might prefer that, to a bold denial of your obligations. The assumption process, a plausible substitute for State bankruptcy, it is true, is analagous in its effects to the individual bankrupt operation, but that is not yet, nor likely to be soon enacted into an easement. Well, sir, I doubt not, there is enough of oldfashioned patriotism in the people—enough of virtue, stern morality and unbending chivalry, to sustain the honor and integrity of the State, all the quack nostrums to the contrary notwithstanding, provided you, yourselves, in these halls, come to the rescue.

I believe the great mass of the people are fully conscious of the high obligation resting upon them, to maintain and preserve the faith of the State by a punctual effort to meet their portion of the public burden.—As to the constitutional obligation upon them to pay the debt, contracted by the State for works of Internal Improvement, I conceive it useless to disouss that question. By the by, you rarely now-a-days hear a constitutional argument advanced on any subject—the utilitarians are the fashionable politicians. It has been urged, however, as one reason why the citizen should not pay, that the State's liability has ensued from usurpation of authority on the part of the legislative agents of the people. Will the attribute of sovereignty be denied to the State? If she has possessed the faculties of a well organized government, and has chosen not to restrain her public servants, from what source will you limit their acts? In what way has the State, according to the form of her government, chosen to indicate her sovereign character? What are the powers of your Legislative Department, for according to your organic law, your Executive has no veto upon the sweeping orbit of legislative discretion. Perhaps, if this conservative attribute had resided with your Executive, you might now and then, at least, have been saved from legislative indiscretion—not so, however, have your constituents ordered and directed. They have chosen to leave the field *wide open* to legislative discretion, and you have gone on from time to time, curtailing Executive power, until that department of your government is stripped of many of its essential faculties. The same effort, under the garb too of conservatism, is making to cut down and destroy the conservative powers of the Chief Magistrate of the nation and from morbid jealousy of Executive domination, which is right enough, when properly regulated. You have in this State imprudently and without judicious limit, clothed and endowed your Legislative Department with almost uncontrolled sway. It is not quite as omnipotent, it is true, as the Parliament of Great Britain, but it exercises power, nearly without limitation. The checks and balances of your system are giving way under the exigency of infuriated and indiscreet inclination to curtail Executive patronage, and ere long, if this unorganized spirit is not arrested, you will have a very different form of government from that bequeathed you by your sturdy ancestors. In Maryland, you have now a Consutution forsooth for your Judiciary and Executive, but a *carte blanche* for your Legislative Department. In this latter, the wildest range of discretion is tolerated. Where is the check on this? Recollect, sir, the theory and basis of your Federal Government are different from your State, both as to their origin and capacities. The first exercises but a delegated authority, and is restrained by the charter which transfers, and is the evidence of delegated trust, and leaves the mass of power from which it is extracted, to be used by the constituent party, subject alone to the restraint imposed upon it by the general charter.

The Federal Government being than but a delegated trust, cannot have any inherent or original power, and of course cannot re-transfer or part with its authority. The old law maxim applies in this view of the case—*Potestas delegata, non potest delegari.* The law making department then of that government cannot extend beyond the limit of the instrument or compact binding up its attributes. With the law making authority of your State, representing the sovereignty of the people thereof, a different theory essentially prevails as to the exercise of its powers. True, it is also a delegated trust, but has no limit in the performance and discharge of its duties, unless restrained by your Bill of Rights and Constitution, which were designed to protect the minority. It can inherently and originally do any thing, unless limited, as I have said, and in its range you have a most extended field for discretion. That power can do any thing the people themselves can do, unless you can shew from the Bill of Rights and Constitution, that legislative discretion is restrained. The burden of proving the non-existence of authority, if I am right in my construction, rests upon those who deny the existence thereof. It is presumed to exist and have constitutional vitality and support, unless the negative appears. Whenever an act is done by the Legislature, it is certainly to be considered constitutional and regular, unless you can show from the constitution a restraint on the Legislature. Where will you find in your constitution any such restraint, in relation to investments in works of Internal Improvement? It is too true, that the servants that the people have clothed with Legislative authority, may act unwisely and impose hard burdens upon their constituents, but yet they have to be borne, and the only safeguard the people have under such circumstances, is to select very cautiously their agents, and if they have unfortunately chosen improvident servants, they must displace them, and endeavor to avoid similar results in future, by selecting better; and if none can be trusted, restrain them by a change in your fundamental law, so that they cannot injure you hereafter.

Suppose, indeed, your own representatives sport with your rights and detraud you by their acts, and impose grievous burdens upon you, and by the very same acts were to defraud strangers to your commonwealth, could your people with any moral, legal or constitutional propriety, deny the obligation to redress the fraud, at least upon strangers who relied upon your servants, as they would upon the people in person? The notion of our public debt being unconstitutional and therefore

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