

it may conditionally provide for these objects, and especially for regulating and preserving a sound currency.

As early as May, 1787, the Congress of the United States, convened under the articles of confederation, approved the plan of a National Bank, submitted to their consideration by Mr. Morris, then Superintendent of the finances; and on the 14th December, of the same year, "on a resolution of the support which the finances of the United States would receive from the establishment of a National Bank," passed an ordinance incorporating such an institution, under the name and style of "the President, Directors, and Company of the Bank of North America."

The aid afforded by that institution was acknowledged to have been of essential consequence during the remaining period of the war, and its utility subsequent to the peace, of little less importance. The authority of the present Government to create an institution for the same purpose, cannot be less clear. It has, moreover, the sanction of the Executive, legislative and judicial authorities, and of a majority of the people of the United States, from the organization of the Government, to the present time. If public opinion cannot be considered the infallible expounder, it is among the soundest counsellors of the Constitution. It is undoubtedly the wisest guide, and only effective check to those whom the administration of the Constitution is confided; and it is believed that, in free and enlightened States, the harmony, not less than the welfare of the community, is best promoted by receiving as settled, those great questions of public policy in which the constitutional authorities have long concurred, and in which they have been sustained by the unequivocal expression of the will of the people.

The indispensable necessity of such an institution, for the fiscal operations of the Government, in all its departments, for the regulation and preservation of a sound currency, for the aid of commercial transactions generally, and even for the safety and utility of the local Bank, is not doubted, and, as is believed, has been shown in the past experience of the Government, and in the general accommodation and operations of the present Bank.

The present institution may, indeed, be considered as peculiarly the offspring of that necessity springing from the inconveniences which followed the first loss of the Bank of the United States, and the evils and distresses incident to the excessive, and, in some instances, fraudulent issues of the local Banks during the war. The propriety of continuing it to be considered no more, in reference to the expediency of banking generally, than in regard to the actual state of things, and to the multiplicity of State Banks already in existence, and which can neither be dispensed nor in other manner controlled in their issues of paper by the General Government. This is an evil not to be submitted to; and the remedy at present applied, while it preserves a sound currency for the country at large, promotes the real interests of the local Banks by giving soundness to their paper.

If the necessity of a banking institution be conceded or shown, that which shall judiciously combine the power of the Government with private enterprise, is believed to be most efficacious. The Government would thus obtain the benefit of individual sagacity in the general management of the Bank; and, by means of its deposits and share in the direction, possess the necessary power for the prevention of abuse.

It is not intended to assert that the Bank of the U. States, as at present organized, is perfect, or that the essential objects of such an institution might not be attained by means of an entirely new one, organized upon proper principles and with salutary limitations. It must be admitted, however, that the good management of the present Bank; the accommodation it has given the Government, and the practical benefits it has rendered the community—whether it may or may not have accomplished all that was expected from it; and the advantages of its present condition, are circumstances in its favour, entitled to great weight, and give it strong claims upon the considerations of Congress in any future legislation upon the subject.

To these may be added the knowledge the present Bank has acquired of the business and wants of the various portions of this extensive country, which, being the result of time and experience, is an advantage it must necessarily possess over any new institution. It is to be observed, however, that the facilities of capital actually afforded by the present institution to the agricultural, commercial, and manufacturing industry of all parts of the Union, could not be withdrawn even by transferring them to another institution without severe shock to each of those interests and to the relations of society generally.

To similar considerations, it may be presumed, is to be traced the uniform policy of the several States of the Union, of rechartering their local institutions with such modifications as experience may have dictated, in preference to creating new ones. Should any objection be felt or entertained on the score of monopoly, it might be obviated by placing, through the means of a sufficient premium, the present institution upon the footing of a new one, and extending its future operations by such judicious checks and limitations as experience may have shown to be necessary.

These considerations, and others which will be adverted to in a subsequent part of this report,—the experience of the Department in the trying periods of legislative and the convictions of his own judgment concurring with those of the wisest men who have preceded him, induce him to recommend the expediency of rechartering the present Bank at the proper time, and with such modifications as will be necessary to secure the safety and utility of the institution, and to preserve a sound currency for the country at large, and to promote the real interests of the local Banks by giving soundness to their paper.

ing its usefulness to the Government and the community, may be calculated to recommend it to the approbation of the Executive, and what is vitally important to the consideration of the People.

Should Congress deem it expedient to authorize the issue of the Bank for a sum not less than eight millions of dollars, the reimbursement of the public debt, on or before the 3d of March, 1835, may be confidently anticipated; and, from that period, the amount of revenue applicable to that object will be no longer required.

The revision and alteration in the existing duties which will be called for by this state of things cannot too early engage the attention of Congress. The information requisite to the establishment of a scale of duties upon a permanent and satisfactory basis, will require time; and a system in which so many important interests are involved, will be better subserved by prospective legislation than by sudden changes.

The revenue derived from the present duties cannot be safely dispensed with before the period assigned for the extinguishment of the public debt; but such a revised system as Congress may, in its wisdom previously provide, may with entire propriety be authorized to take effect from and after the 3d of March, 1835.

Independently of the charge for the public debt, the revenue for the expenditures of the Government as at present authorized need not, it is estimated, exceed annually the sum of \$13,500,000.

It is believed, however, that there are other objects of expenditure of obvious expediency, if not of indispensable necessity, which, if they may be supposed, have been postponed by the higher obligation of paying the public debt. The present occasion is deemed propitious to provide for those objects in a manner to advance the glory and prosperity of the country without inconvenience to the people.

It is therefore respectfully recommended that in addition to the expenditures as at present authorized, appropriations may, at the proper time, be provided for the following objects:—For any existing or future increase in the pay and emoluments of the navy officers; and for providing for the means of naval instruction; for enlarging the navy hospital fund; strengthening the frontier defences; removing obstructions from the Western Waters; for making accurate and complete surveys of the coast, and for improving the coast and harbours of the United States; and for greater facilities to the commerce and navigation of the United States. The occasion would also be a favourable one for constructing custom-houses and warehouses in the principal commercial cities, in some of which they are indispensably necessary for the purposes of the revenue; and likewise providing for the proper permanent accommodation of the Courts of the United States and their officers.

In many districts the compensation of the officers of the customs in the present state of commerce is insufficient for their support, and inadequate to their services. As a part of the general system, however, and effectually to guard the revenue, the services of such officers are necessary, without regard to the amount of business; and it is believed expedient to make their allowance commensurate with the vigilance required and the duties to be performed. A further improvement may be made in the mode of compensating the officers of the customs, by substituting salaries for fees in all the collection districts, by which, at a comparatively small expense to the Treasury, commerce and navigation would be relieved from burthens all the more inconvenient, if not oppressive.

It is believed that the public property and offices at the Seat of Government, require improvement and extension, and that further appropriations might be made to adapt them to the increasing business of the country. The salaries of the public ministers abroad, must be acknowledged to be utterly inadequate, either for the dignity of the office or the necessary comforts of their families. At some foreign courts, and those whose relations towards the United States are the most important, the expenses incident to the station, are found so burthensome as only to be met by the private resources of the minister. The tendency of this is to throw those high trusts altogether into the hands of the rich, which is certainly not according to the genius of our system. Such a provision for public ministers as would obviate those evils, and enable the minister to perform the common duties of hospitality to his countrymen, and to promote social intercourse between the citizens of both nations, would not only elevate the character of his country, but essentially improve its public relations.

In addition to these objects, further provision may be made for those officers and soldiers of the revolution who are yet spared as monuments of that patriotism and self devotion, to which, under Providence, we owe our multiplied blessings. For the foregoing purposes, together with the existing expenditure, and a moderate allowance for such objects of general national character within the limits, as admitted by the Executive, of the powers of Congress over the subject, an annual revenue of \$15,000,000 will be fully adequate. It is worthy of remark, that such an amount of revenue would scarcely exceed one dollar on each individual of our population as it may be reasonably computed, when the reduced duties shall take effect, and that the individual burden would continue to diminish with the increase of population and of the national resources.

The sources from which the revenue heretofore has been derived, may be briefly stated to be the duties on the imports, public lands, and bank dividends. With the

aid of the Bank, the Government, in addition to the duties which will be expended and payable to the Treasury, will be amply sufficient to meet all the expenditures that portion of the revenue heretofore drawn from the sale of public lands may be deemed to be necessary to do so.

On this point, the undesignated items proper to observe that the creation of sumptuous States throughout the Western country, and the relative powers claimed and exercised by Congress and the respective States over the public lands, have been gradually accumulating causes of inquietude and difficulty if not of complaint. It may well deserve consideration, therefore, whether at a period demanding the amicable and permanent adjustment of the various subjects which now agitate the public mind, these may not be advantageously disposed of, in common with the others, and upon principles just and satisfactory to all parts of the Union.

It must be admitted, that the public lands were ceded by the States, or subsequently acquired by the United States, for the common benefit; and that each State has an interest in their proceeds which it cannot be justly deprived. Over this part of the public property the powers of the General Government have been uniformly supposed to be extended to authorize their application to purposes of education and improvement to which other branches of revenue were not deemed applicable. It is not practicable to keep the public lands out of the market; and the present mode of disposing of them is not believed to be the most profitable, either to the General Government or to the States, and must be expected, when the proceeds shall be no longer required for the public debt, to give rise to new and more serious objections.

Under these circumstances, it is submitted to the wisdom of Congress to decide upon the propriety of disposing of all the public lands, in the aggregate, to those States within whose territorial limits they lie, at a fair price to be settled in such manner as might be satisfactory to all. The aggregate price of the whole may then be apportioned among the several States of the Union, according to such equitable ratio as may be consistent with the objects of the original cession, and the proportion of each may be paid or secured directly to the States, or to the respective States purchasing the land. All causes of difficulty with the General Government on this subject would then be removed; and no doubt can be entertained, that, by means of stock issued by the buying States, bearing a moderate interest, and which, in consequence of the reimbursement of the public debt, would acquire a great value, they would be able at once to pay the amount upon advantageous terms. It may not be unreasonable also to expect that the obligation to pay the annual interest upon the stock thus created would diminish the motive for selling the lands at prices calculated to impair the general value of that kind of property.

It is believed, moreover, that the interests of the several States would be better promoted by such a disposition of the public domain than by sales in the mode hitherto adopted, and it would, at once, place at the disposal of all the States of the Union, upon fair terms a fund for purposes of education and improvement, of inestimable benefit to the future prosperity of the nation.

Should Congress deem it proper to dispense with the public lands as a future source of revenue, the amount to be raised from imposts after the 3d of March, 1835, according to the foregoing estimate, will be \$15,000,000; but, with a reliance upon the public lands, as heretofore, it may be estimated at \$12,000,000; to which, as the case may be, it will be necessary to adapt the provision for the future.

Whatever room there may be for diversity of opinion with respect to the expediency of distributing among the several States, any surplus revenue that may casually accrue, it is not doubted that any scheme for encouraging a surplus for distribution or for any purpose which should make it necessary, will be generally discontinued. There is too much reason to apprehend that a regular, uniform dependence of the State Governments upon the revenue of the General Government, or an uniform expectation from the same source, would create too great an incentive to high and unequal duties, and not merely disturb the harmony of the Union, but ultimately undermine and subvert the purity and independence of the State sovereignties.

The public welfare and the stability of the Union would be more effectually promoted by leaving all that is not necessary to a liberal public expenditure with the people themselves. Their affection for the government would be thereby strengthened, and the sources of individual and national wealth augmented; so that when the government should have cause to increase its expenditure for public emergencies, it might rely upon a people able and willing to answer the call. While these means of the national wealth are thus cherished, the machinery by which duties upon imports are collected and brought into the Public Treasury may be kept in full operation, and susceptible of greater efficiency whenever the exigency may make it necessary.

It is respectfully suggested that these considerations, and others that will readily present themselves, point out the duties on imports as the best source of revenue, and peculiarly recommend that these duties should be adapted to the actual expenditure of the Government.

The propriety of reasonably protecting the domestic industry is fully conceded; but it is believed it would neither justify nor justify the raising of a larger amount of revenue than may be necessary to defray the expenses of

the Government, less of the duties of a stock, with an excess of revenue beyond the expenditure would be necessary. To these may be added the duties on the growth and harmony of the country, and upon the safety of the Union, which should certainly not be hazarded for any object not of vital importance to its well-being.

If it could be shown that the labour and capital of the United States required greater aid to shield them from the injurious regulations of foreign States, sound policy would rather recommend a system of bounties by which the duties collected on imports might be directly applied to the objects to be cherished than the accumulation of money in the Treasury. No such necessity, however, is supposed to exist.

The amount of revenue equal to the authorized expenditures of the Government is the constitutional duty of Congress to provide; and, to a tariff framed for this object, it is not perceived there can be any reasonable objection. Of this duty, the Constitution itself, precludes all doubt by authorizing both the expenditure and the means of defraying it.

It will be difficult precisely to graduate the revenue to the expenditure. The necessity of avoiding the possibility of a deficiency in the demand and supply renders such a task almost impracticable. An excess of revenue, therefore, under any prudent system of duties may be for a time unavoidable. But this can be better ascertained by experience, and the evil obviated either by enlarging the expenditure for public purposes, or by reducing the duties on such articles as the condition of the country would best admit.

In providing a revenue upon this principle for these purposes, the attention of Congress will be necessarily directed to the articles of imports from which the duties should be collected; and this is a question of expediency merely, to be decided with a just regard to all the great interests involved in the subject.

To distribute the duties in such a manner, as far as that may be practicable, as to encourage and protect the labour of the people of the United States from the advantages of superior skill and capital, and to cherish and preserve those manufactures which have grown up under the national legislation, which contribute to the national wealth, and are essential to our independence and safety, to the defence of the country, the supply of its necessary wants and to the general prosperity, is considered to be an indispensable duty.

The vast amount of property employed in the northern, western, and middle portion of the Union, upon the faith of our own system of laws, and on which the interests of every branch of our industry are involved, could not be immediately abandoned without the most ruinous consequences. It is, therefore, considered of great importance to cherish and preserve the national industry, and to protect the property of the United States from the competition of foreign manufactures, and to recommend an adjustment on practical principles, rather than with reference to any abstract doctrines of political economy.

The proposed action of Congress will not be directed to introduce or countenance for the first time the adaptation of duties for revenue to the protection of American labour and capital. The origin of that lies at the foundation of the government; and, taking root in the act of July, 1789, it has since been gradually and extensively spread over our whole legislation, and effected most of the important relations of the community. That it may have gone beyond the proper standard, and that the present crisis requires that it should be confined within reasonable limits, will not be denied. It ought to be remarked, however, that the amount of the revenue has not, at any time, exceeded the authorized objects of expenditure; and that in preserving such an equality in future, justice to every portion of the community requires that it should be accomplished without uprooting those great interests which have been providently planted and carefully nourished.

If the amount of expenditure be regulated by an enlightened economy, and the aggregate of duties levied on imports be neither extravagant nor oppressive to the consumers, it is deemed to be comparatively unimportant whether it be collected from many or few articles of importation. It could only become material by causing the duties to bear unequally upon particular classes. It might not be practicable, however, in such a community as ours, and in distributing the duties with any reference whatever to the protection of labour, altogether to avoid that inconvenience. So much of the inconvenience as may be an avoidable might be temporarily submitted to for the sake of the national advantages it would ultimately confer. It may be expected also, that the poorer classes, so far as any such inequality would affect them, will be generally indemnified by the increased activity given to profitable modes of employment.

Applying for the United States, the sum to which it is now proposed to limit the revenue, is not likely to be oppressive on any class even according to the present numbers of the American population. It is also to be observed, that, relatively both to population and the means of consumption, it would annually diminish; while the cheapening of transportation by the means of the rapidly increasing facilities of intercourse would constantly tend to equalize prices and diffuse the profits of labour.

The objects more particularly requiring the aid of the existing duties upon the principles of this report are believed to be wool, tanned hides, iron, hemp and sugar, as well as the manufactures of the domestic industry. Upon these articles, the average duty col-

lected in the years 1830 and 1831, amounted to \$4,940,598, as is shown by the annexed statement.

These duties could not be materially changed at present, without the effect already created. No objection is perceived, however, to such a gradual reduction of them in future, as may be consistent with the public interest, as the growth and stability of our manufactures will enable them to dispense with duties to such a degree at least as will, with an increase of population and the means of consumption, still leave a revenue adequate to the expenditures; or until that may be withdrawn from them may be levied on other articles which may be found to admit of it.

The additional sum, which, together with the amount of those duties, it may be necessary for Congress to provide in a re-adjustment of the tariff will depend upon its decision as to confining the expenditures to the present objects or extending them. At the same time, in the former case, the sum of \$4,539,600, and, in the latter, the sum of \$6,059,607, will be required; and, in regard to either estimate, the provision should be upon a scale sufficiently liberal to guard against the chance of a deficiency. In providing for either sum, the duties may be advantageously retained upon these articles of luxury, or which are principally consumed by the wealthier classes or, upon those not absolutely produced in the United States, in preference to others. The effect of this would be to countervail to the poorer classes, by cheapening their general supply, the higher duties on other articles. At the same time, the duties may be removed from such raw materials as will admit of it without detriment to our agriculturists; whereby the manufacturers would be enabled to sell cheaper, and, also, the sooner to dispense with a part of the duties which may be at present retained for their protection. Any amount of duty upon a raw material, to its extent, is an injury to the manufacturer, requiring further countervailing protection against our own rather than foreign regulations, and is only to be justified by the paramount interest of agriculture. In that case it would deserve consideration whether the encouragement of an object of agriculture might not be more profitably reconciled with the encouragement of the manufacture, and with greater equity as regards other interests, by bounties rather than by a duty on the raw material.

While presenting these views, the barter to which the interests of navigation have been subjected by the existing duties on articles necessary in ship building, have not been overlooked; and, while equitably adjusting other interests, this may require from the legislature particular attention. The great importance, both of our foreign and coasting navigation to the country, and to those interests which are so vitally connected with it, is not to be doubted. In the competition which it is obliged to maintain with the commerce of the world, every where the object of peculiar aid, it would seem to demand of the Government a liberal support. It is believed that the expenses of building and fitting out vessels of every description, including Steamboats, are injuriously increased by the present duties, and that a drawback of a large portion, if not the whole, of the duty on all the articles composed of iron, hemp, flax, or cotton, whether of foreign or domestic production used in their construction or equipment, might be authorized, under proper regulations, and without material detriment to the revenue.

It is hoped, however, that these suggestions will be received as proceeding from a sense of official duty, and intended to invite the attention of Congress to the various modes of revising the existing scale of duties, from which a selection may be more judiciously made with the aid of greater information than is at present in possession of the Department, rather than to present a digested scheme for the future revenue.

The undersigned is not insensible to the embarrassments attending such a subject, both from its delicacy and complexity; and the difficulties of reconciling any system of duties, in the present condition of the public mind, with the interests and views of all, are fully appreciated. These can be surmounted only by the wisdom and patriotism of the people, and of Congress. He cannot doubt, however, that it will be the wish of all, earnestly to endeavour to surmount them; and he confides in the forbearance and liberality of an enlightened public to accomplish what he respectfully suggests that the object is to be dealt with in the spirit of a liberal compromise, in which, for the sake of the general harmony, each conflicting interest should be expected to yield a part for the common benefit of all.

The diversity of interests which characterize different portions of the Union, arising from geographical position, and peculiarities of habits and pursuits, does not admit of that degree of favour to any particular interest, which, in other countries differently situated, may be safely and wisely granted. The duty of each portion of the Union should be equally regarded and gradually lowered, by which means, each would as certainly, though more slowly, attain maturity without the aid of measures dangerous to the general peace and harmony.

Similar considerations prevailed in the former Session of the Constitution, and, at that period, the difficulty of drawing with precision the line between rights surrendered and those reserved, at all times great, was increased by a difference among the several States, as to their situation, extent, habits, and particular interests. In harmonizing these various objects, and conducting them to practical results, the framers of that instrument kept steadily in view "the consolidation of the Union, and the general prosperity of the interior," and, in all these objects, of inferior importance, the consideration of the public interest, and the promotion of the general harmony of all the States, were the objects of their view.

It is believed that the measures proposed in this report, will be found to be consistent with the views of the framers of the Constitution, and to be calculated to promote the general harmony of all the States, and to preserve a sound currency for the country at large, and to promote the real interests of the local Banks by giving soundness to their paper.

peculiarity of geographical situation rendered indispensable. The full and entire approbation of every State was not counted upon; but it was hoped that each would consider that had her interests been alone consulted, the consequences might have been particularly disastrous to her interests.

In the government thus formed, were fully and effectually vested the power of making war, peace and treaties; that of levying money and regulating commerce, and the corresponding judicial and executive powers of expounding and executing the whole.

Upon no other principles, and in no other spirit can the constitution be administered with safety to the Union. The force of the government is a moral force, resting upon the sound action of the public opinion throughout the various portions of the country. Due respect for the rights and duties of the States, and a mild, and moderate exercise of those confided to the General Government, with a ready deference to the will of the people, are believed to constitute the soundest policy, and to furnish the best of safeguards.

The observance of this policy is the duty of the government, and a patriotic acquiescence in measures calculated to effect it, though they may occasionally act with some inequality, is not less the duty of the people. Considerations of power are not alone involved either in measures or opinions affecting the interests and harmony of the community; and no measures can or ought long to prevail without a broad and general support from public opinion. The obligation of laws constitutionally enacted by the proper authorities is not to be questioned; but extreme measures, adopted by slender majorities, and motions to the interests and opinions of minorities, powerful in numbers, wealth and intelligence cannot be persevered in without danger to the general harmony, and without undermining the moral power, not merely of the executive and legislative departments, but also that of the judiciary, which may be called to sustain the authority without the option of deciding upon the expediency of the measure.

In our system each side has important rights; and those of the minority consist in requiring that the power of the majority be exercised with a just regard to their interests, both of persons and property, without a reasonable deference and concession both as to measures and opinions, the great objects of the government cannot be attained; and, while it is conceded that it would be improper to push measures for the protection of the labour or improvement of the country to an extreme or oppressive degree, it must also be admitted that it would not be less so, altogether to deny to the General Government the moderate exercise of powers for those objects for which it is believed plainly to have been instituted.

The success of the government depends not more upon a harmonious action of its various parts than in producing the same effect upon the various interests over which it acts.

Considering the amount of labour and capital employed in manufactures of the greatest importance to the country, and which have already contributed so essentially to our defence and safety, and to the general prosperity, it could not be expected that they should be suddenly abandoned. Regarding, at the same time, the diversity of interests resulting from the peculiar situation of the United States, the manufacturing interest itself should be content with a moderate and gradual protection, rather than by extreme measures to endanger the public tranquillity. The indispensable necessity of the aid of the General Government in those objects of acknowledged national concern, more especially the improvement of the rivers and harbours which are the great high-way of the people—and to which the means of the several States are both inadequate and inapplicable, could not be withheld without opposition to the opinions of a majority of the people and the interests of many portions of the Union. It is at the same time admitted, that this aid should be moderately conferred, and with proper deference to opinions of an opposite character. It cannot be doubted that too extensive a transfer of the powers of the General Government over those objects would ultimately subvert the constitutional sovereignty of the States. It must be acknowledged that the just medium in all these subjects is difficult of attainment; but in the desire to seek and in the eagerness to adopt the best consists the true policy of an American Statesman.

If the adjustment suggested to Congress by the views hazarded in this report be in any way entitled to their respect, it is not unreasonable to hope that the various topics of national concern, at present engaging the attention of the people, may facilitate rather than embarrass the task. The interests of agriculture, commerce and manufactures, and the final disposition of the public lands, are the prominent and necessary and immediate objects of public policy. An incident, however, and, indeed, necessary to the security and prosperity of these great interests, the preservation of a sound currency cannot be expected to attract the soundness and steadiness of this indispensable medium of exchange, depends the value and stability of every description of property not less than the activity of every branch of business; and it is not to be doubted that the commercial and manufacturing industry would be most severely and immediately affected by any derangement of this spring of their prosperity.

The measures of the General Government in respect to the tariff, to objects of public improvement, to public lands, and to the Bank of the United States, are the sources of the existing difficulties, through the coincidence of the various interests, and it is believed that the measures proposed in this report, will be found to be consistent with the views of the framers of the Constitution, and to be calculated to promote the general harmony of all the States, and to preserve a sound currency for the country at large, and to promote the real interests of the local Banks by giving soundness to their paper.

All which is respectfully submitted,
LOUIS BLANE,
Secretary of the Treasury.
Treasury Department,
Dec. 17th, 1831.

parts of the Union, and to preserve a sound currency for the country at large, and to promote the real interests of the local Banks by giving soundness to their paper.

character of the country, the wisdom and patriotism of the Government of the people, and the stability of that institution an object of great importance. No reason is perceived why this great interest should not be equally considered in the scheme of defence and cessation and compromise, which the public safety, not less than the national prosperity, urgently recommends. While conflicting interests and opinions on other subjects are invited to meet on the middle ground, and, the altar of the common good, each to do something for the preservation of concord and union throughout this favoured land, the voice of the people, may also be invited to join in the same patriotic effort. It is not perceived that any other satisfactory basis for a scheme of general adjustment can be devised than that which shall pay just regard to the interests of all, and observe a proper deference to the public will. This ground mainly one portion of the agricultural interest have been invited to accommodate opinions, conscientiously formed and ardently advocated to opposite opinions, and powerfully maintained by other and more powerful interests. The invitation could not be more appropriately recommended than affording an example in other cases, founded upon the same principle. Acquiescence of the public will is not less the duty of governments than of the people themselves. The utmost respect is felt for an independent exercise of conscientious opinions; but in a country like ours, though a sense of duty authorizes all fair attempts to convince the public mind, it equally dictates a ready acquiescence by all in the public will, finally expressed.

In presenting to the view of Congress the means of the government, the bonds due to duties which are now in suit, have been reserved for this place. The amount of bonds remaining in suit since the commencement of the government, may be estimated on the 30th of September last, at \$5,855,824 63. This sum it is believed that not more than one million of dollars could, under any circumstances, be recovered. The debt, however, remain legally liable for the whole amount, and, without the hope of ever paying are thereby kept in a state of poverty and helplessness.

The act passed at the last session of Congress for the relief of certain insolvent debtors, according to the construction which has been given to it, has afforded but little relief to those for whom it was probably intended. It will be the duty of the undersigned in a subsequent report, in conformity with that law, to lay before Congress the principles and manner of its execution. It may not be out of place, in the mean time, to present a general view of the financial means of the government, to recommend the relief to be placed on these debts, and to recommend the American merchant in the payment of duties, in every period of our history, and under the most severe vicissitudes, is deserving of the greatest admiration, the whole amount of the custom-house bonds, falling due in the first three quarters of the present year, only \$46,965 78 has been unpaid. Of seven hundred and eighty-one millions of dollars secured for duties from the commencement of the government to the 30th of September last, the whole amount is estimated to be less than six millions of dollars. The delinquencies are believed in result not in all instances to have been the result of unavoidable misfortune, involving in the ruin of the principal the sureties required by the laws of the United States. In most cases, the United States, by means of the existing priority acts, have obtained the benefit of whatever property the debtors possessed at the time of their insolvency. In many instances their general creditors have released, or would be willing to release them, if the claim of the government did not render such an act of liberality unavailing. By this means, a large number of our fellow citizens, of fair characters and intelligence, and qualified by their exertions to promote the prosperity of the country, are paralyzed in their industry, and deprived of the means of providing for their families and contributing to the general stock of labour. It is respectfully submitted to the wisdom and generosity of Congress, whether the occasion of extinguishing the national debt and relieving the burthens of the community at large, where the greatest amount likely to be recovered is not required for the public exigencies—is not also propitious for giving adequate relief to those enterprising men, who, into the face of a discharge of the debt, or where there is no fraud, with or without payment of any particular amount, and returning to each debtor a reasonable percentage of the sum paid, is recommended as a prudent and necessary measure.

The Secretary of the Treasury also transmits a Report from the Commission of the General Land Office, showing the state of the affairs of that branch of the Department.

All which is respectfully submitted,
LOUIS BLANE,
Secretary of the Treasury.
Treasury Department,
Dec. 17th, 1831.