THE BEE.

PRINTED BY J. BAYON,
Printer of the State, General Council, and of the First and Third Municipalities.

NEW-ORLEANS:
THURSDAY MORNING, DEC. 14, 1836.

The great space required by the President's Message obliges us to omit a large number of new advertisements, and several articles, which we had prepared for this days paper.

Ocean Steam Navigation Company.

This is the last day on which the books of this company will be opened to afford the public an opportunity subscribing to the stock. A little more than 800 shares remain to be taken. We have no fear for the result—the friends of Louisiana will doubtless press forward to the interests of the community.

BY
THE EXPRESS MAIL.
The President's Message.

Fellow Citizens of the Senate and 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 had attained, with no clouds 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 fruits of good Government, the general condition of our affairs may well excite our paternal 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 supplication that his providential care may ever be extended to those who follow us, enabling them to avoid the dangers and the horrors of war, consistently 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 separated in July last, is flattering in the extreme, I regret to say that many questions of an interesting character at issue with other powers, are yet unadjusted. Amongst the most prominent of these is 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 cultivate those amicable and beneficial intercourses, 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 understanding exists, and our commercial intercourse is gradually expanding itself with them. It is encouraging to all these countries, except Naples, by their mutually advantageous and liberal treaty stipulations with us.

The claims of our citizens on Portugal are admitted to be just, but provision for the payment of them has been unfortunately delayed by frequent political changes in that kingdom.

The blessings of peace have not been secured by Spain. Our connections with that country are on the best footing, with the exceptions of the burden still imposed upon our commerce with her possessions out of Europe.

The claims of American citizens for losses sustained at the bombardment of Antwerp have been presented to the Government of Holland and Belgium, and will be pressed in due season to settlement.

With Brazil, and all our neighbors of the continent we continue to maintain relations of amity and confiscord, extending our commerce with them as the resources of the people and the policy of their Governments will permit. The just and long standing claims of our citizens upon some of them are yet sources of dissatisfaction and complaint. No danger is apprehended, however, that they will not be peacably, although tardily, acknowledged and paid by all unless the irritating effect of her struggle with Texas should unfortunately make our immediate neighbor, Mexico an exception.

It is already known to you, by the correspondence between the two Governments, communicated at your last session, that our conduct in relation to that struggle is regulated by the same principles that governed us in the dispute between Spain and Mexico herself, and, I trust, that it will be found, on the most severe scrutiny, that our acts have strictly corresponded with our professions. The feelings of the United States should feel, strong prepossessions for the one party is not surprising. But this circumstance should, of itself, teach us great caution, lest it lead us into the great error of subverting public policy to be regulated by partiality or prejudice; and there are considerations connected with the possible result of this contest between the two parties, of so much delicacy and importance to the United States, that I cannot register prayers that we should neither anticipate events, nor attempt to control them. The known desire of the Texans to become a part of our system, although its gratification depends upon the reconcilement of various and conflicting interests, necessarily a work of time, and uncertain in itself, is calculated to expose our conduct to misconstruction in the eyes of the world. There are already those who, indifferent to principle themselves, & prone to suspect the want of it in others charge us with ambitious designs and insidious policy.

You will perceive by the accompanying documents that the extraordinary mission from Mexico has been terminated, on the sole grounds that the obligations of this government as to itself and to Mexico, under treaty stipulations, have compelled me to trust a discretionary authority to a high officer of our army, to advance in the territory claimed as part of Texas, if necessary, to protect our own or the neighboring frontiers from Indian depredation.

In the opinion of the Mexican functionary, who has just left us, the honor of his country will be wounded by American soldiers entering, with the most amicable avowed purposes, upon ground from which the fellowers of his Government have been expelled, and over which there is at present no certainty of a serious reliance on its part being made to recrutablish its dominion.

The departure of this Minister was the more singular, as he was apprised that the sufficiency of the causes assigned for the advancement of our troops by the *commanding General had been seriously doubted* by him, and that there was every reason to suppose that the troops of the United States—their commander having had time to ascertain the truth or falsehood of the information upon which they had been marched to Nacogdoches, he would be either there in perfect accordance were the principles admitted to be just in his conference with the Secretary of State, by the Mexican Minister himself, or were already withdrawn in consequence of the impressive warnings their commanding officer had received from the Department of War.

It is hoped and believed that his Government will take a more dispassionate 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 mean time, the ancient complaints of justice, made on behalf of our citizens, are disgarded, 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 prospects 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 conditions of those with whom we have contracted them.

The result of the confidential inquiries made into the condition and prospects of the newly declared 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 Sublime Porte, and to check the good will which regrdually growing up in our intercourse with the dominions of the Government of the distinguished Chief of the Ottoman 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 $27,691,000; those from sources being estimated $2,325,151, those from lands at about $4,000,000, and the residue from miscellaneous sources. The expenditures for all objects during the year, are estimated amounted $26,000,000, which will leave a balance in the Treasury for public purposes on the first day of January next at about $4,791,000. This sum, with the exception of five millions, will be transferred to the several States in accordance with the provisions of the act regulating the deposites of the public money.

The unexpended balances of appropriation on the 1st day of January next are estimated at 14,626,000, exceeding by $8,626,000, the amount which will be left in the deposit banks, subject to the draft of the Treasurer of the United States, after the contemplated transfers to the several States are made. If therefore, the future receipts should not be sufficient to meet these outstanding and future appropriations, there may be soon a necessity to use a portion of the funds deposited with the States.

The consequences apprehended, when the deposit act of the last session, approved a measure generally have been measurably averted. Though the best provision for the safe keeping and disbursement of the public money of the United States, that has been yet made, or can be made, if the Government is to act as a bank, it is not to be expected that any system of the kind would be free from all objections. Whatever therefore, disturbs the liberal spirit of the compromises which established a rule of taxation so just and equitable, and which experience has proved to be well adapted to the genius and habits of our people, should be received with the greatest caution and distrust.

At here inspection, in the annexed table, of the differences produced by the ratio used in the deposite act, compared with the results of a distribution according to the ratio of direct taxation, must satisfy every unprejudiced mind, that the former state, contravenes the spirit of the constitution, and produces a degree 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 $16,000,000 of revenue, would pay into the Treasury $153,715: and in the distribution of $20,000,000 she would receive back from the Government, according to the ratio of the deposite bill, the sum of $206,192 and similar results would follow the distribution between the small and the large States throughout the Union, thus realizing to the small States an advantage which would be deemed unacceptable to increase a positive tax upon the principle the adoption of which would produce it, as it would be inconsistent with the views and expectations of the large States. It was certainly the intention of that provision of the constitution which declared 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 whatever State of the Union they may reside. But what would be the value of such an uniform rule if the money raised by it could be immediately returned in a different ratio which will give to the people of some States much more, and to those of others much less, than their fair proportions? *We* believe the Federal Government to exist, by support between the states, prudently and transmitters of some portions of the country from all duties, ability is imposed heavy upon others, that injustice could not be greater. It would be easy to show how very 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 the extreme degree the taxes necessary to replenish the Government of their smaller sisters, but it is deemed unnecessary to state the details. For the practical principle to be applied, a distribution of the surplus which contributions the States shall be entitled to receive, must be made in proportion to the sums paid by the respective States into the Treasury, and the operation of this principle is the object of the distribution, whose duty conferred on Congress the ratifying 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 of collecting the revenue for the purpose of distributing it. Congress is only authorized 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 authorize 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 ever occurred to the States when they adopted the constitution. But, however this may be, the safe rule for us in interpreting the grants granted to the Federal Government is to regard the absence of express authority to touch a subject as important and decisive as this is, as equivalent to a prohibition.

Even if our powers were less doubtful in this respect, as the constitution now stands, there are considerations afforded by recent experience, which would seem to make it our duty to avoid a remote so subversive of our system.

All will admit that the simplicity and economy of the state government depend much upon the fact that money has to be supplied to support them by the same people who are to pay the taxes, and that if we take away the necessity of imposing taxes we shall remove a great check upon extravagance and waste. If appropriations there must be a corresponding increase of taxes and the people, becoming awakened, will necessarily scrutinize the character of measures which thus increase their burdens. By the watchful eye so will interest, the agents of the people in the state governments are repressed, and kept within the limits of a just economy. But if the necessity of levying the taxes be taken from those who make the appropriations, and thrown upon a distant and less responsible set of public agents, who have power to reproach the people by an indirect and stealthy taxation there is reason to fear that prodigality will soon supercede those characteristics which have thus far made us look with so much pride and confidence to the state governments, as the main stay of our union and liberties. The state legislatures, instead of studying to restrict their state expenditures to the smallest possible sum, will claim credit for their profusion, and harass the general government for increased supplies. Practically, there would soon be but one taxing power, and that vested in a body of men far removed from the people, in which the farming and mechanic interests would scarcely be represented. The states would gradually lose their dignity as well as their independence, they would not deem to murmur at the proceedings of the general government, lest they should lose their supplies! all would be engaged in a practical confederation, cemented by wide spread corruption, which could only be eradicated by exceptionable blows of resistance which occasionally overthrow the dearest objects of the world.

In all the other aspects in which I have been able to look at the effect of such a principle of distribution upon the best interests of the country, I can see nothing to compensate for the disadvantages to which I have adverted. If we consider the protective duties, which are, in a great degree, the source of the surplus revenue, beneficial to one section of the union, and prejudicial to another, there is no corrective for the evil in such a plan of distribution. On the contrary, there is reason to fear that all the complaints which have sprung from this cause would be aggravated. Nothing one must be sensible that a distribution of the surplus must beget a disposition to cherish the revenue which creates it and any system, therefore, into which it enters, must have a powerful tendency to increase, rather than diminish the tariff. If it were even admitted that the important advantages of such a system could be made equal to all the sections of the Union, the reasons already given for its rejection would probably be followed up, in due time, by the enactment of State laws banishing from circulation bank notes of still higher denominations; and the object may be materially promoted by future acts of Congress, forbidding the employment, as fiscal agents, of such banks as continue to issue notes of low denominations, and throw impediments in the way of the circulation of gold and silver.

The effects of an expansion of bank credits and over issue of bank paper, have been strikingly illustrated in the sales of public lands. From the returns made by the various Registers and Receivers in the early part of last summer, it was perceived that the receipts arising from the sales of the public lands were increasing to an unprecedented amount. In effect, last year, there exceeded the ordinary receipts from the public lands. The banks lent out their notes to speculators they were paid to the Receivers, and immediately returned to the banks to be lent out again and again, being mere instruments to transfer to speculators the most valuable public land, and pay the Government by a credit on the books of the banks, usually called deposites, were already greatly beyond their immediate means of payment, and were rapidly increasing. Indeed such speculations furnished money for another; for no sooner had one individual or company paid in the notes, than they were immediately lent to another for a like purpose, and the banks were extending their business and their issues so largely, as to alarm considerate men, and render it doubtful whether these bank credits, if permitted to accumulate, would ultimately be of the least value to the Government. The spirit of expansion and speculation was not confined to the deposite banks, but pervaded the whole multitude of banks throughout the Union and was giving rise to new institutions to aggravate the evil.

The safety of the public funds, and the interest of the people generally, required that these operations should be checked; and it became the duty of every branch of the General and State Governments to adopt all legitimate and proper means to produce that salutary effect.

Under this view of my duty, I directed the issuing of the order which will be laid before you by the Secretary of the Treasury, requiring payment for the public lands sold to be made in specie, with a view to postpone the collection of the public money, by withholding the promulgation of the order, as long as it could be done without producing the mischief which it was designed to remedy. The effect was to check the career of the speculators, and to induce a general demand for specie for the purchase of public lands. The amount of specie thus withdrawn from the deposite banks, has been much more than I had anticipated, and has produced the whole amount of bank credits, and the amount of specie in the country, has been greatly disproportionate