Indiana State Sentinel.

ETERNAL VIGILANCE IS THE PRICE OF LIBERTY.

INDIANAPOLIS, JANUARY 11, 1848.

Governor's Message.

Gentlemen of the Senate and of the House of Representatives:

Having convened for the performance of the important duties committed to your charge, by the people of the State, it becomes my duty [a duty which it is regretted I was prevented from performing previous to your late adjournment by severe bodily injury, the result of a recent accident] to communicate to you the condition of the commonwealth, and to suggest such measures as may seem to be demanded for the preservation and increase of the public welfare. In doing so, it affords me a heartfelt pleasure to congratulate you upon the general prosperity which has prevailed within our borders during the past year. We have enjoyed the blessings of health in an unusual degree, the supremacy of the laws has been maintained, and the labor of the husbandman has been bountifully rewarded by luxuriant crops, which he has been enabled to dispose of at liberal prices, thus giving a renewed impulse to business of every description. Evidences of great improvement in the condition of the people are every where visible. Our cities and towns are steadily increasing in wealth and population, and the primeval forests which still cover a large portion of the country are rapidly disappearing, to give place to the rich products which are drawn by the hand of industry from a generous and fertile soil. For these, and the numberless other advantages we enjoy we owe unbounded gratitude to God, in whose hands are the destinies of nations, who has placed us in a land of religion, liberty and plenty; thus enabling us to advance our moral and social condition, and to acquire that political and physical independence, from which so large a proportion of the human family is debarred. It becomes us, therefore, to acknowledge His goodness with suitable reverence, and to invoke a continuance of His blessings upon our beloved country and upon our efforts to discharge with fidelity the trusts which have been committed to us. The increased prosperity of the country, I cannot but think, is, under Divine Providence, in a great measure to be attributed to a wise change in the policy of the general government of the Union, with regard to our commerce with foreign nations. The repeal of the high tariff of 1842, and the adoption of a more liberal system of duties by the act of 1846, has not only had the effect of producing an increase of revenue to the national treasury, but an increase of profits to the agriculturists. This class of our fellow citizens, constituting the main foundation of our national wealth and prosperity, has, by means of diminished duties on commerce at home and abroad, been enabled to find a market for a greater proportion of their surplus products than they could otherwise have disposed of to advantage. Making every allowance for any influence on prices which may have been produced by a season of unusual scarcity in Europe. Yet when we consider that how great soever may be the necessity of the people of other countries, their ability to purchase food from us is limited by their ability to pay for it by the produce of their own labor, it is evident the every restriction which prevents us from receiving such produce in return, must reduce the quantity or value of that which they receive from us. Happily for all parties,—for the over-producer of our own country, as well as the starving consumer abroad—upon the occurrence of a general failure of the crops in Europe in 1846, the restrictions which had formerly existed were in a great measure removed, and we were prepared to reap the full benefit of the increased demand thus created. It is to be remarked, also, that while those engaged in the cultivation of our soil have been so greatly benefitted by the opening of a foreign market, the manufacturing and commercial classes have enjoyed at least their full share of the common prosperity. The great increase of manufactories, and of manufacturing and commercial capital, since the passage of the comparatively low tariff of 1846, proves that these interests are in a most flourishing condition. In fact, the agricultural interest so greatly predominates in this country, that most others are in a great degree dependent upon it, and must, to some extent, flourish or languish as that becomes prosperous or depressed. Indiana is especially an agricultural State, and it is of the utmost importance to our citizens that the sound and enlightened policy of low duties or a revenue tariff—of striking off all restrictions upon trade not required by the wants of the public treasury, economically administered,—should continue to be maintained. Many of our fellow citizens who entertained serious apprehensions that the establishment of this policy would be fraught with great evil, if not with ruin to most of our leading interests, are doubtless gratified to find at length that their apprehensions were not only without foundation, but that the very reverse is true. It affords me still greater pleasure to be able to remark that the present increase of prosperity appears to be founded, at least to a far greater extent than heretofore, upon a solid and substantial basis. It was not brought about as merely by a wild and extravagant spirit of speculation, nor by a similar expansion of the currency, but mainly by the gradual and wholesome operations of a profitable trade, confined within its legitimate channels. There is now no great banking institution under national authority, overshadowing all the other monetary institutions of the country, capable of wielding an almost irresistible political power, and able, by means of a vast capital and the control of the national treasury itself, to contract or expand the amount of currency in circulation throughout the entire country, and consequently to cause the prices of every kind of property to rise or fall, as it might supply or withdraw the means of payment. Since the existence of the last institution of the kind in the United States, more than ten years have elapsed, and more than six since its gigantic substitute under the same name, created by the legislature of a sister State, ceased its operations as a bank of circulation. The whole country, since their extinction, has been steadily advancing from adversity to prosperity, and our subsequent experience has, it is believed, been long enough to settle the so much agitated question, how far such an institution is necessary to the trade, the productiveness, the enterprise, or the general welfare of the country.

The constitutional treasury by which the collection and disbursement of the national revenue are entirely disconnected from banking operations, has been in full operation more than twelve months. Yet the inconveniences which many no doubt, honestly apprehended from the absence of a National Bank, and the establishment of an independent treasury, have not been experienced. On the contrary, during the time which has elapsed since its establishment, the largely increased disbursments rendered necessary by the existing war, have been made through its agency, at various and distant points without loss, and with the requisite ease and promptitude. A far greater amount of gold and silver is infused into all the the channels of our circulation, than at any former period of the history of our country. Exchanges upon all points are uniform, cheap and readily to be obtained, and in these respects they favorably contrast it is believed, with those of any time during the sway of a Bank of the United States. They are not based upon fictitious movements of Bank credit, but upon the true and only sound principle upon which they can be well regulated, namely, upon actual business transactions between different sections of the country. When it is considered that during the experimental operation of these leading measures of national policy, it has been their lot to encounter the adverse influences of a foreign war, which cannot fail more or less to affect the trade, and resources of a country, their intrinsic merits and the wisdom of their adoption must be still more manifest. In fine, every thing indicates that the present appearance of financial improvement throughout the country, is no illusion, and that a fair promise is afforded, of its being substantial and permanent. Nevertheless it should be remembered that when the tide of prosperity is swelling to its greatest height there is the greatest need of caution. The irrepressible energy and love of enterprize of the American people, are apt to induce them, when fired with success, to overleap the bounds of prudence and fall into extravagant and ruinous speculations. The sure and the only sure remedy against this threatening evil, is the observance of economy and industry, and above all, *to resist the allurements of credit*. Occasion was taken in former communications to express my serious convictions that the observance of this caution is essential to the continuance of our welfare and prosperity. Impelled by a filial regard for the State, which is the seat of my home and of my attachments, and which has laid me under deep and renewed obligations, I cannot omit, in this crisis of our affairs to once more caution my fellow citizens against a practice, which experience has proven to be fraught with ruin. It is earnestly to be hoped that while they industriously and vigorously improve the advantages that are now within their reach, they will be sufficiently careful to avoid the evils into which they have fallen from this cause on former occasions. The present war with Mexico is deeply to be regretted, inasmuch as the consequences of a resort to arms, are at all times seriously to be deplored, and more especially by a people blessed with a government and institutions like ours. Nevertheless the Congress of the United States, vested by the constitution with the appropriate power having declared, by a vote nearly approaching unanimity, that war exists, and by the act of Mexico, it becomes us as American citizens, to uphold the rights, the honor, and the laws of our common country, at all hazards and in every emergency. The history of our race has but too lamentably proved, that how great soever may be its desire, peace is not in the power of any nation. Unless the pacific spirit and policy of one power is met by a corresponding spirit on the part of others, the questions in dispute is left in the last resort to the arbitrament of the sword. Few instances, it is believed, are to be found on the page of history, of a war, more justifiable *by the laws of nations* so far as the United States are concerned, than that in which they are now engaged with Mexico. Passing by a long series of aggressions, running back into the year 1821, which was the first of her asserted independence, against the persons and property of our citzens, for which reparation was promised by its accredited agents, only to be followed by disappointment,—passing by the patience and long suffering of our own government, under the last six administrations, Mexico at last brought on the war, by striking the first blow, and shedding the firt blood.

Nor can it be successfully maintained, that the advance of our troops beyond the Nueces, was the real cause of the war, when it is considered that long before that advance, Mexico had distinctly and repeatedly taken the ground through her minister at Washington, her government at home and her generals in the field, that the annexation of Texas was the true cause and origin of the war which has ensued.

Before the advance of our troops too, it was repeatedly and formally published by different commanders of the Mexican armies, that their object and mission, was to conquer and wrest from our possession, one of the states of this Union,—a state which had been made such, with the due solemnities of law, and that too, from territory acquired before the present administration of our government came into power.

This war then, it is true, was a war of conquest, but it was so on the part of Mexico. Such certainly is the fact, if any faith is to be placed in the solemn declarations of a nation, made through its authorized functionaries, and followed up by corresponding action. It is demonstrable then, that the war was brought about by the unjustifiable acts and aggressions of the Mexican government; for it is assumed as a proposition that is incontrovertible, that whatever differences of opinion may have existed in our own country as to the mere policy or expediency of the acquisition of Texas so far as the United States were concerned, yet that Mexico had no reason to complain of that measure. That territory was at the time, both by right and in fact, as independent of the control of Mexico, as was Mexico herself of the crown of Spain, against which she had also previously rebelled, and it was so recognized by the principal nations of the civilized world. Under these circumstances, to have been deterred from doing an act not improper in itself, clearly justified by the laws of nations, and called for by the unanimous voice of those interested, by the threats of a party, who was not entitled to intefere, would have invited further aggression from the same quarter, and lowered the character of our country in the estimation of all other nations. In the progress of the war thus forced upon us, far from being actuated by a mere spirit of conquest or of rapine, the olive-branch has been uniformly borne in advance, and the cruelty and faithlessness of an insidious foe, have been met on the part of our troops generally, with a forbearance, a kindness and a magnanimity rarely equalled. We have desired only to sustain the national dignity and honor, and to secure such results as would afford some guaranty for the peaceful conduct of an arrogant and faithless race for the future, and a full and just indemnity for the past. Being engaged in the war, humanity itself would seem to require its energetic prosecution, as well for the purpose of saving the effusion of blood by bringing it to a speedy close, as to inspire that and other powers with such a respect for our prowess as will, for a long period, it is hoped, save us from the necessity of again having recourse to arms.

That the indemnity to which we are entitled, should consist of territory, is manifest in view of the crippled resources and exhausted revenues of Mexico, the instability of her government, the revolutionary character of her people, her fickleness in relation to her past moneyed arrangements, as well as from her immense nominal possessions, which lie conterminous with our western boundaries, which to a great extent, are unreclaimed from the hand of nature and uninhabited, and which in the hands of the present possessors are likely to remain so for an indefinite period. And while such an indemnity will it is believed best comport with the interests and ability of Mexico, it is the most desirable for the United States. Our numbers, which increase at a rate to which the history of the world scarcely affords a parallel, and the unequalled enterprise and industry of our people, will soon require additional lands for their accommodation.

The citizens of this State have not only responded to every call that has been made upon them by the general government for aid and assistance, but they have tendered the services of many additional companies, which could not be accepted. The three regiments of volunteers which were raised during the year 1846, have returned home with honor, after having seen much arduous service. Owing to some misapprehensions or misrepresentations of the facts, much injustice was done to one of those regiments in the accounts which were first published of the brilliant victory of Buena Vista. Since then, however, public opinion has been set right upon that point, and it is now universally acknowledged that no troops upon the field contributed more bravely and effectively in deciding the fate of the day against greatly superior numbers, than the two regiments of volunteers from this State which had the good fortune to be present.

Besides several companies of regulars, chiefly raised in this State during the two last years, two other regiments of volunteers have, in the last summer and autumn, departed for the field of action, the details as to which are contained in the accompanying report of the Adjutant General. I cannot too strongly recommend to your attention the careful preservation of the rights and privileges of the brave men who are thus absent in the service of their country. In every constitutional measure, having for its object such protection or extension of their political or personal rights as the circumstances may seem to demand, or to evince the gratitude so justly due them from the State for their services and sacrifices, I assure you of my thorough co-operation.

The ordinary expenses of the State Government for the fiscal year ending on the 31st day of October last, were $90,762 67.

The ordinary expenses for the year 1848, are estimated by the Auditor in his report at the present session, at 71,900. The number of polls returned for 1847, (estimating for the counties of Cass, Crawford, Jefferson, Lake, Pulaski and Wells, from which returns have not been received, as being only the same as last year,) are 129,857, being an increase of 2,762 over that of the preceding year. The value of the entire taxable property returned for 1847, (estimating in like manner for the same counties,) is $124,558,060, leaving an increase of $1,908,506, over that of last year.

The amount of revenue paid into the State treasury during the last fiscal year, including some previous arrearages, is $362,347,07, being $68,486,07 more than was paid in during the previous fiscal year.

The assessment for 1847 is, for State purposes $450,674,77, and for county, township, road and school purposes collectively $562,671,20. Add to these sums the delinquencies of former years $127,258,47, and the total amount of the duplicates for 1847, is $1,100,604,44.

A slight examination of our present revenue system will be sufficient to demonstrate its great susceptibility of improvement. Under its workings, it is quite manifest that a large amount of the invisible wealth of the community, such as corporation and other stock, cash on hand or at interest, and the more portable and valuable kinds of personal property, &c. is not found on the assessment rolls. This description of taxables is generally owned by those who are the best able to pay, and their non-assessment leaves the burden of taxation so much the heavier on property which is visible, and especially on lands, which cannot escape notice and scrutiny, and which the true policy of our State requires, should not be visited with disfavor. The assessment sheets of 1847 as compared with those of 1846, show a decrease on personal property, in some counties, to the amount of $20,000, in one county to $40,000, in another to $50,000 and in another to $75,000. The Auditor of State has presented some further facts and reflections, in relation to the present mode of assessments, at the close of his report made at the present session, to which your attention is invited.

Although careful and elaborate legislation is probably necessary to make the system such as it ought to be, yet it is believed that very little labor will be found sufficient to remove its most glaring evils, and the subject is recommended to your early consideration.

By an act of Congress to establish a uniform time for holding elections for electors of President and Vice President in all the States of the Union, approved January 23, 1845, it is provided that the electors shall be appointed in each State on the Tuesday next after the first Monday in the month of November of the year in which they are to be appointed. As the day for holding such election heretofore, in this State, has been on the first Monday in Nov. of such year, and as by the existing State laws, the returns of the same from the several townships are required to be delivered to the proper Clerk of the Circuit Court on the following Wednesday, the postponement of the time of delivery of such returns until the Thursday after the election, is respectfully recommended, in order that the same time may be afforded for maturing the returns under the present, as was allowed under the former law. By the present law, too, the Governor is required to transmit to the electors, certificates of their election, by the hands of the marshal, or of special messengers. From motives of economy, it is presumed, that the Marshals will always be employed in the transmission, unless in case of emergency. If they are so employed, it is desirable that the Legislature should settle the mooted question, whether they shall receive any compensation for that service in addition to that which the present law gives them for travelling and returning, over nearly or quite the same ground, in making their returns to the Secretary of State. And if it should become necessary to employ one or more special messengers for the performance of that service, some provision should also be made by law, settling the amount and pointing out the mode of their compensation.

By reference to the Auditor's report, it appears that the principal of the late suspended debt of Indiana, now amounts (or rather at the commencement of the operations under its late arrangement it did amount) to $11,065,000, in the shape of outstanding bonds. On this amount, no interest had been paid, until that arrangement, since in the year 1841, when the credit of the State was prostrated. The amount of the annual interest on that debt, is over half a million of dollars, [$554,770,] payable half yearly. This debt, large in itself, was therefore increasing at a rapid and fearful rate, and in view of that and of our limited resources, many of our best citizens, involved in despair, and anxious to leave their property unincumbered to their children, were sacrificing their homes for far less than their value, and leaving the State. The same causes were preventing men of capital and industry from coming among us to purchase property, improve the country, and add to our wealth. All this, it is evident, had a tendency to increase the gloom and despondency that pervaded our business affairs generally, and to diminish the ability of the people (the great mass of whom were also involved in debt) to meet their individual engagements. Add to these considerations the example already set by other indebted States in resuming payment of their obligations, and it is not surprising that a general anxiety should have existed in Indiana, that its character, if possible, should also be vindicated. The great obstacle that presented itself to so desirable a result was the great disparity between the amount of the debt and the ability of the State for its discharge by means of taxation.

It was under this conviction, generally, if not universally entertained, that I favored the principle of disposing of the profits of the Wabash and Erie canal in satisfaction of so large a portion of the debt, as to leave the balance within the ability of the State to pay from the treasury, as the only practicable means left the State whereby to avoid the evils enumerated, and to wipe off the reproach of repudiation; and I earnestly recommended that the proposition should be respectfully considered, in the hope that it might eventuate in an arrangement honorable to the State and satisfactory to its creditors. The result was the passage at the same session of the bill, which received my approval on the 19th of January, 1846, to provide for the funded debt of the State, and for the completion of the Wabash and Erie canal to Evansville.

Early in the following July, a letter was addressed to my department on the part of the committee of bondholders, (under whose authority the proposition had been made, which had resulted in the passage of the bill referred to,) enclosing resolutions adopted by the committee, in which an opinion was expressed favorable to the principle of that bill, namely, "the payment of one half of the principal and interest by taxation, and the other half by the property and tolls of the canal, from the State line adjoining Ohio to Evansville; such property to be assigned to three trustees, and the State to be freed from responsibility on that portion of the debt and interest so to be secured."

In my next annual message, that of last session, in communicating the fact that the principle of the arrangement offered by the bill, had received the assent of the committee, occasion was taken to state that within the sphere of my own observation, and so far as my information extended, the expression of the great majority of our own citizens was also decidedly in its favor. It was further stated that the bondholders desired some modification of the bill by the legislature, which I was informed would not conflict with the *principles* of the bill, and yet were deemed essential for carrying into full effect its fair and obvious intent, and that any such modifications if they added nothing to the burdens of the people, would, it was believed, be responsive to their will, and, it was also trusted, would receive the favorable action of the Legislature.

The action on the proposed modifications resulted in the passage of the supplementary bill, which received my approval January 27, 1847. Both of these bills contemplated that on the surrender of any of the State bonds, they should be cancelled, and new certificates issued to the holders in lieu of them, and that only one-half of the *interest* due on them [which is fixed at the uniform rate of five per cent. per annum,] should be paid from the treasury, and the other half exclusively from the profits of the canal. Both of the bills also contemplated that the bondholders who should come into the arrangement, should finish the canal to Evansville, at their own expense, aided by the proceeds of the lands, &c., which were granted to the State for that purpose, and they were to look to the profits of the canal alone, to repay them the costs of its construction and management.

But while the original bill gave the State the option of *afterwards* throwing one half of the *principal* also, upon the canal for payments, in the supplementary bill, (and consequently by the law as it now stands) that object is *at once* effected by one half of the surrendered debt, both principal and interest resting exclusively upon the canal for payment, the State being released from all further responsibility in relation to it.

The great and leading principle therefore of the first bill, namely the satisfying of one half of the surrendered debt from the canal, remains unchanged, nor does the suppiementary bill involve the State any further in debt. The main difference between the bills, consists in the latter giving to the bondholders who should finish the canal, a *priority* in the payment of their claims and expenses about its construction, out of the tolls and profits, over those who would not join in its construction. The latter class however, by surrendering their bonds, would still have the interest on one half of their debt (equal to two and a half per cent on the whole) satisfied from the treasury, as in the case of the others, and they would also be paid in whole or in part the interest on the other half, from the profits of the canal if any remained, after paying those entitled to a priority, as before stated. Even if they received nothing from the canal therefore, the amount of the interest paid to them by their acceding to the present arrangement would be only one sixth less, than they would have received under the rival plan introduced into the legislature, which proposed to give but three of the five per cent which their bonds called for. By the rival plan too, the canal would not have been finished, as the credit of the State was broken down, and she could hardly have been expected to construct it, with only the lands granted by Congress for that purpose.

This munificent grant then, amounting to about 800,000 acres of land, would in that case by the terms of the grant, have reverted to the United States, and thus have been forever lost to Indiana.

By the supplementary bill, all bondholders are allowed to subscribe towards the completion of the canal until to as late a period as the first of November last, and to surrender their bonds at any time before the first of the following month. It was also provided that unless the subscription towards the canal was made, and bonds to the amount of $4,000,000 principal surrendered by the times limited in the bill for those purposes respectively, the arrangements should cease and be void. Apprehensions were expressed on the part of some opposed to the measure, that a comparatively few wealthy persons controlling bonds to that (or a little larger) amount, would get possession of the canal, to the exclusion of the residue of the bondholders, who on account of their supposed poverty, would be unable to pay their quota towards completing it, and by reason of the priorities already spoken of be excluded from any share in the profits. The objection was not that the bill of last session imposed any greater burdens upon the people of the State than did the bill of the previous session, (for there was no pretext for that,) but that one part of our creditors would be benefitted by it more than the others, and that a large portion of them being unable to come into the arrangement, their claims would thus be virtually repudiated. The fear indeed was expressed by some, that but one half of our debt would be brought in (being $5,545,000 of principal, with the interest) that amount being necessary, before the deed of trust for the canal, and its appurtenances, should be finally executed.

The right to priority of payment, however, seems in practice to have produced an effect precisely the reverse of that apprehended by some, namely, the rapid surrender of a heavy amount of bonds, in the hope of benefitting by the priority; while as to the first bill, which did not contain the clause in question, not a bondholder would accept of its provisions.

It is now cause of congratulation with all to find that at our last advices more than $9,000,000 of bonds, exclusive of interest, had already been cancelled under the arrangement.

I was also informed at the commencement of the present session, by the trustee residing at New York, that when he left that city, he had information that the surrender to the amount of about half a million more was shortly expected, and hopes are entertained that the bulk of the remainder will finally come into the measure. Having been satisfied that the requisite number of bonds had been surrendered to the Agent of State for exchange and cancellation, and that the proper amount had been paid over towards the construction of the canal, the deed of convevance bearing date the 31st day of July last was duly executed to the trustees, as required by the 9th section of the supplementary bill, and consequently the original bill, as modified by that, is in full force and operation. Whatever differences of opinion may have existed heretofore in relation to this measure, it is confidently hoped, that now, as the law of the land, and closely connected as it is with the character and prosperity of the State and of its citizens, it will receive, as in my judgment it justly merits, the support of all, and that nothing will be done or omitted, which may be calculated in the least to violate good faith, or to impair the efficiency of the arrangement. The first half yearly interest required by the law was promptly paid on the first day of July last, and although it was found necessary for the legislature at the present session to authorise a loan of the amount of the interest due on the first day of January, yet that was not because the present rate of taxation is not sufficient to comply with the new arrangement, (for it is deemed amply sufficient) but because the revenue is not required by the existing law to be paid into the treasury until the 4th Monday of February, and hence it became necessary to merely anticipate the revenue by the loan in question.

It is respectfully recommended to your early consideration, to adopt some permanent measure for preventing any such temporary embarrassment in future.

The final arrangement of our public debt cannot fail to exercise a favorable influence upon the property, the morals and the character of the State, and is cause of heartfelt congratulation to all. We have suffered much through past improvidence, may we never neglect the lessons it has taught us. Let no debt be incurred hereafter, unless in case of the most imperative necessity, and not then except provision be at the same time be made to pay the interest, and for the final extinguishment of the principal. Few will be found, hardy enough to advocate another general system of improvements. But the danger lies in commencing one by degrees. If a favor is granted to one section of the State it gives rise to demands from another, and finally there is imminent danger of irresistible combinations of interests for the prosecution of a number of works, neither of which could find favor alone. As a general rule, such works are far better left to individual enterprise, under the great law of supply and demand. Already we have a large amount of capital in the country, with the prospect of its progressive increase. The inducements for its investment in works of this character, are very great, and the only apprehension that now need be felt is, that sufficient care will not be taken in the chartering of companies for their construction, to protect the rights of the public.

If Capitalists would not be justified in risking their means in the Construction of a particular work or works, the State now just emerging from insolvency, should not be required to do so. The level surface and fertile soil of Indiana, offer great inducements for the constructions of rail roads, with a view to profit, and the most profitable because the most needed will be first undertaken. When constructed by private or associated means, there is less extravagance, and less danger of the faithlessness of agents, than if they are constructed by the State.

In dismissing this topic, I beg once more to recommend the most rigid economy, now rendered, if possible, more desirable than ever. Our faith is restored, and it must be preserved.

Let the resolve of every heart be that it shall be preserved.

Occasions frequently arise for making requisitions upon the Executives of other States and Territories, for fugitives from justice of this State, and provision is made by the existing law, that all expences incurred in their recapture "if the Governor shall allow the same, shall be paid out of the moneys appropriated by the general assembly, for such purposes."

As no such appropriation has ever been made, the law has remained a dead letter, and the custom has been to make the required allowances, in the specific appropriation bills. By this omission, not only has there been a delay of payments for the services and expences of the agent, but in the absence of correct information, the treasury is exposed to the danger of exorbitant claims. A standing appropriation of a small amount, would be sufficient for this purpose, and the adoption of a rule, requiring a satisfactory verification of all claims for such services and expences before the same shall be allowed, will serve the cause alike of justice and economy.

The views and recommendations contained in the accompaying report of the Adjutant General, will doubtless receive at your hands, that attention and consideration, to which they are entitled. The commendation bestowed upon this officer in my last annual Message, in relation to the discharge of his duties during that year, has been fully merited by the zeal, fidelity and promptitude, with which he has performed those of the present year, varied and laborious as they have been. The nature, extent and value of these services, can better be ascertained from the report itself, and I suggest the justice and propriety of making him an additional compensation for the same. It will be seen from the report of the Quarter Master General, also submitted, that that officer, has been engaged, since your last session with characteristic energy and faithfulness, in the collection and repair of the public arms, which had been lost and scattered in various parts of the State, besides attending to their reception, preservation and distribution. The increase in his correspondence, and in the regular duties of his office, also merit, in my judgment, further compensation.

Occasion has been repeatedly taken in my former messages, to allude to the great amount of our local or special legislation, the danger of injustice by its means, to individual interests, its expense to the treasury, and the large portion of time it necessarily occupies, to the detriment of that mature and thorough consideration which is due to subjects of a general character.

It was also recommended that the necessary powers should by general laws be conferred upon other and more appropriate tribunals, to afford the necessary relief, sought by means of private acts.

The subject has been deemed of so grave importance that the constitution of New York, as lately amended, has a provision against this evil engrafted in it.

I was therefore much gratified to find the attempt to obviate it in part, by the passage, at the last session, of the act to authorize the formation of voluntary associations, approved January 27, 1847. It is hoped that no bill will now be introduced into the legislature for an object, the accomplishment of which can be secured under that act. It is not intended to say that the act is not susceptible of amendment; on the contrary it is believed it might be made to have a wider scope with advantage. But that or any other defect can be easily remedied.

It is earnestly recommended that, as far as practicable, the residue of the broad field of private legislation be occupied by a few general laws. Permit me also, again to call to your favorable attention, the subject of giving justices of the peace exclusive jurisdiction of divers trivial offences now punished by indictment in the circuit courts, at great expense to the country, and operating, by means of costs, and loss of time, as a disproportionate punishment to the individual. I also commend to your favorable regard the policy of establishing houses of Refuge, in districts embracing a sufficient number of counties, for the purpose, of the punishment and moral discipline of female and juvinile delinquents; where they will be beyond the contagion of confirmed vice and hoary crime.

My reasons in favor of these measures are given to some extentin my last two annual messages, to which you are respectfully referred.

The steady and successful progress made on the part of our benevolent institutions, as will more fully appear from the annual reports in relation to them, is a subject of just congratulation. The Asylum for the Deaf and Dumb was commenced as a State Institution, as late as the 1st of October, 1844, (although it had existed as a private school, with a few pupils, for about one year previously,) and it already numbers 80 pupils. This is understood to be a much larger number than is found in the institution of any other State, in proportion to population, although several of them have been established for more than a quarter of a century.

The Institute for the education of the Blind, commenced its operations only on the 1st of October last, with 9 pupils, which are now increased to 25, and several others are soon expected.

The erection of suitable buildings for each of these institutions, on the eligible sites already purchased for that purpose, is much needed. The financial condition of the State requires, that while they should be comfortable, commodious and permanent, and so constructed as to be susceptible of such additions as may be required hereafter by an increase of pupils, without marring the general design and appearance, yet they should be in a style of simple elegance without unnecessary expense or a useless display of *mere* ornament.

It is gratifying to learn that the hospital for the insane will probably be so far constructed by the 1st of July next, as to be ready for the reception of a few patients at that time, and that the work will rapidly advance to entire completion.

I cannot doubt that each of these institutions will continue to receive, at your hands, that aid and patronage to which they are so well entitled.

The people of Indiana deserve great credit, and they will doubtless receive the prayers and tearful thanks of many of these unfortunates, for the cheerfulness with which they have paid a specific tax, in a time of great adversity, for the establishment and support of these benevolent institutions; and, it is hoped, it will not be forgotten by those concerned, that the best return that can be made in behalf of the the inmates for this kindness, will be a strict economy and fidelity in the expenses and management of the establishments.

The facts and suggestions contained in the accompanying report of the Visitor of the State Prison, will commend themselves to your consideration. Since its preparation, it has been gratifying to learn that the convicts have been removed to the New Prison, which will operate much to the advantage of their health and comfort. It will be seen that two of the convicts are represented as insane.

In this connection, and in view of the expected early completion of the Hospital, I beg to call your attention to the importance of providing by law, that whenever a person is acquitted of crime on the ground of insanity and he is found by the jury yet to be insane, or whenever a convict becomes insane while in the State Prison, he shall forthwith be placed in the Hospital. The former should not be suffered to go at large, at the peril of life and property in the community, the latter is not a proper subject of punishment, and both require that moral discipline and medical treatment, which would be found in the Hospital, and which recent experiments have proved so frequently effective for the restoration of reason.

It is upon the intelligence and virtue of its citizens, the State must chiefly depend for their social elevation and happiness,—for their just and equal participation in the advantages of an enlightened freedom,—for the perpetuity of our unrivalled institutions in their original purity and republican simplicity, and for that progressive reformation of abuses, and that political amelioration, which are the results of independent thought and free enquiry. I am therefore much gratified to perceive the increased interest which has latterly been manifested by the people of this State in relation to the important subject of education.

Our higher institutions for the instruction of youth in literature and science, are a source of just pride and of great usefulness to the State, and it is gratifying to believe that they have never been in a more flourishing condition than at present.

In relation to the far more important subject of common school education, it is much to be regretted that at present, when the faith and credit of the State are in process of resuscitation, and its available means are urgently required to meet the engagements entered into with its creditors, as well as those occasioned by our benevolent institutions, we are unable by legislation, to afford such immediate and substantial aid, as in a more flourishing condition of the finances of State would be more in accordance with our desires, and with a sound and enlightened policy. Much however may be done, it is hoped, towards the adoption of a system, to be more fully matured in future, which will increase the usefulness, the efficiency, and the amount of the present school funds,—secure their faithful application, extend the benefits to be derived from them more equally and satisfactorily—and especially which will ensure a greater degree of uniformity and promptitude in the collection of school returns and other statistics bearing upon the question;—which is almost a prerequisite to any prudent and useful legislation, upon a subject which has caused so great a diversity of judgment.

Pursuant to resolutions passed by both branches of the General Assembly at its last session, recommending the friends of common school education to meet in convention at Indianapolis on the 26th of May last, such a convention did assemble and three gentlemen were appointed to draft a bill for the purpose of remedying the defects complained of in the school laws now in force. These gentlemen have fulfilled the object of their appointment by preparing a bill to provide for the improvement of common schools, to be laid before the Legislature. From the source whence it originated, and the care and labor which have doubtless been bestowed upon it, it will no doubt receive a mature and attentive consideration at your hands. As by a provision of the bill, it will not go into operation, until approved by a majority of the people, it will be proper in case of its passage, to publish and circulate it extensively, in order that every voter may have an opportunity of fully understanding its provisions, before he is required to pass upon it at the ballot box, on the 2d Monday of March next.

I am aware that I have touched upon several topics, in my views as to which, I shall not be so fortunate as to have the concurrence of a portion of your number;—topics too, which some may regard as of national concernment only, and therefore as inappropriate.

But it will, it is trusted, be sufficient to say that as the prevailing usage in this regard, must have created a general expectation, that some expression on my part would be made on the present occasion, in relation to these questions, silence would give rise to misconstruction. Feeling it to be my duty to meet frankly every such expectation, believing these questions to be of wide and momentous bearing; and regarding the present crisis in our affairs as imminent. I have freely advanced such views, and indicated such a course of policy, as are, in my judgment, most conducive to the prosperity of the people, and to the honor and character of the country. In doing so however, it has been my wish to subserve the cause of truth, without wounding the feelings of any. The greatest advances in the onward tide of human improvement, have taken place under free governments, and have mainly resulted from freedom of thought and of speech. Mere difference of opinion therefore, so far as it excites candid discussion, is promotive of the discovery of truth, and is far from being a subject of regret. But when the too usual, but by no means necessary attendants upon party divisions, passion and prejudice, are found so far to prevail, as to estrange hearts that beat in unison upon other great questions of human concernment, to sever the ties and deaden the charities of social intercourse, and to blunt the perception of truth itself; it exhibits a mournful picture of human weakness and is cause of deep sorrow to the citizen and patriot.

However we may differ in relation to such questions, let us not forget that there are many others appertaining to us as a State, and important to the prosperity and happiness of our fellow citizens, as to which it is hoped we can cordially agree and co-operate.

In conclusion it becomes us to implore the aid of *Him* in whose hands are the destinies of nations, and without whose aid all our attempts will be vain, that he will be pleased to smile upon our councils, and bless our efforts for the common welfare.

JAMES WHITCOMB.

INDIANAPOLIS, January 11th, 1848.

MEXICAN TROPHIES.—The War Office, the Union says, has received, by the officers who have recently arrived from Mexico, various trophies of the war. Among them are two beautiful brass wall pieces of ordnance, sent by Gen. Scott, and brought to this city by Col. Andrews. The most curious of these trophies is the black flag of the Guerilleros. The material is bombazette. The ornaments and letters in the centre, upon the red ground, are worked with green silk upon black cloth pieces, except the squares, which are worked with white. But the most remarkable is a small penant on the top, made of black, 21 inches by 11½, with various military ornaments. On the top and bottom are a death's head and cross bones. In the centre these ominous words—"*No doi quarter*"—GIVE NO QUARTER. This staff and flag were taken at La Mira Flores, on the 13th August, 1847, from the guerillas who attacked Lieut. Hammond's party.

INDIANA HOUSE OF REPRESENTATIVES. — Whole number, 100—whigs 52, democrats 48. Natives of the State only 15; natives of Ohio, 18; Maine, 1; Virginia, 8; Maryland, 6; N. Carolina, 4; Pennsylvania, 12; Kentucky, 17; New York, 7; Ireland, 2; Vermont, 2. Occupations—Farmers 44, Mechanic 1, Physicians 6, Tanner 1, Lawyers 27, Druggist 1, Merchants 5, Cooper 1, School teachers 2, Tailor 1, Saddler 1, Livery Stable keeper 1, Shoemakers 2, Blacksmith 1, Miller 1, Millwright 1. Married 81, single 16, double 1, bachelor 1, solus 1, widower 1. Between 20 and 20 years of age, 21; between 30 and 40, 39; between 40 and 50, 27; between 50 and 60, 9.

NAVAL.—By correspondence from Pensacola, of the 12th instant, the N. O. Picayune is informed of the arrival in that port, on that morning, of the U. S. storeship Elector, four days and seven hours from Vera Cruz. Dr. Barrington, Midshipmen Genet, Dallas, Warring, Powell and Pasteur, U. S. N., arrived in the Elector. She also had on board twenty-three sick seamen, for the hospital at Pensacola. The next vessel of war, which may be expected from Vera Cruz, will be the sloop of war Saratoga, with Mr. Trist on board, as that vessel was supposed to be waiting for him.

Tribute of Respect.

Pursuant to a short notice a very large meeting of the citizens of Muncie, Delaware county, Indiana, was convened at the court on Thursday evening the 6th of January, 1848, to pay the last tribute of respect to the memory of our much respected and deeply lamented fellow citizen, the late Hon. ANDREW KENNEDY. The meeting was called to order by Mr. Frederick E. Putnam, and upon his motion Thomas J. Sample, Esq., was called to the chair, and Mr. James L. Russey appointed Secretary. The object of the meeting was succinctly stated from the chair, after which, on motion of Mr. T. S. Neely, a committee of five was appointed by the chair to prepare and present to the meeting a suitable preamble and resolutions. Messrs. T. S. Neeley, E. Colleen, S. W. Harlan, F. E. Putnam and Dr. S. P. Anthony, comprised the committee. The committee having retired for a short time, by their chairman Mr. Neeley, reported the following preamble and resolutions which were unanimously adopted, viz: Whereas, in the dispensations of Providence, we are called to mourn the untimely death of the Hon. ANDREW KENNEDY, our worthy and respected fellow citizen, who departed this life at the city of Indianapolis, on the night of the 31st of December last; and while we mingle our sympathies, with the tears of a deeply afflicted, and bereaved wife, children and friends, we offer this our feeble tribute of respect to the memory of one who in the various stations of public and private life, which he was called to fill, ever sustained the character of an honorable man and worthy citizen; therefore,

Resolved, that in the death of the Honorable Andrew Kennedy, our State has lost one of her well tried and worthy sons—society a useful member—a wife one of the kindest of husbands—his children a tender and indulgent father—and the world at large an honest man.

Resolved, that this community deeply deplore the dispensation of Providence, which has removed from our midst the subject of these resolutions, and that as a slight tribute of respect to his worth, we have the public bell tolled at 9 o'clock to-morrow, and that the ministers of the different churches in this village be requested to each improve the mournful occasion by a suitable discourse at such time as may best suit the convenience of the respected relict of the deceased.

Resolved, that the heartfelt sympathies of this meeting are tendered to the widow, and friends of the deceased; and that whilst we mingle our tears with theirs, we commend them to the mercies of Him who has said, "Leave your fatherless children, I will preserve them alive, and let your widows trust in me."

Resolved, that the secretary prepare and present to Mrs. Kennnedy, and to the aged and honored father of the deceased each a copy of these resolutions.

Resolved, that the proceedings of this meeting be signed by the officers, and a copy sent to the offices of the State Sentinel and Journal with a request for their publication.

And the meeting adjourned.

T. J. SAMPLE, Chm'n.

J. L. RUSSEY, Sect'y.

(*Journal please copy.*)

Congress.

WASHINGTON, J