

Inaugural address  
of  
Peter T. Washburn  
As it appears in the  
Journal  
of the  
House of Representatives  
Annual Session,  
1869

## Saturday, October 16, 1869 Inaugural Address

*Gentlemen of the Senate  
and House of Representatives:*

Having been elected to the office of Chief Magistrate of this State, with a most earnest appreciation of the great responsibility, which the action of the people has imposed upon me, I have met with you, as required by the Constitution, to give to you such information and assistance, as may be in my power and be required by you to enable you faithfully to guard the interest of the Commonwealth, provide for the support of the government, and consider and decide upon such alterations and improvements, as you may deem necessary, of its laws and its policy,—trusting that in the performance of my duties I may enjoy your confidence, and, if need be, have the benefit of your kind forbearance, but above all, that we may each be gifted with that wisdom, which cometh only from God, without whose approval and assistance States, as well as individuals, are powerless for good, and whose acknowledgment and worship have been made by our fathers the corner stone of our Republic.

During the past year peace has prevailed throughout the land, contrasting most beautifully and significantly with the stormy excitement of the years of warfare for our National existence, through which we have so recently passed. The earth has yielded bountiful crops to its cultivators. No general epidemic, or disease, has prevailed within our borders. And business of all kinds has progressed without serious reverse, or financial disaster. For all which grateful thanks are due and should be reverently returned to the Divine Providence, from whence all blessings flow.

### FINANCES.

The details of the present financial condition of the State and the receipts and disbursements for the year are shown by the Reports of the Treasurer and of the Auditor of Accounts, which will be laid before you. The result may be briefly stated.

The total funded debt of the State at the present time is one million seventy-five thousand dollars, (\$1,075,000.00)—which sum, however, includes twenty-seven thousand five hundred dollars (\$27,500.00) of bonds due in 1876 and 1878, which have been purchased by the Treasurer and have not been cancelled, but are held by him with a view of exchanging them, if found expedient, for bonds due in 1871. The excess of current liabilities over current resources is twenty-one thousand one hundred and eight dollars and forty-eight cents, (21,108.48). The present apparent total liability of the State is therefore one million ninety-six thousand one hundred and eight dollars and forty-eight cents, (\$1,096,108.48). But against this is to be offset the present amount of the sinking fund, which is seventy-five thousand six hundred and ninety-four dollars and two cents, (75,694.02) and twenty-seven thousand five hundred dollars, (\$27,500) of bonds held by the Treasurer as before stated,—making the net liability not provided for nine hundred and ninety-two thousand nine hundred and fourteen dollars and forty-six cents (\$992,914.46). For all purposes, except that of exchange, these bonds held by the Treasurer may be treated as paid in determining the present financial condition of the State.

At the commencement of the year the funded debt was one million two hundred and twenty-seven thousand dollars, (\$1,227,000.00). The excess of current resources over current liabilities was seventeen thousand four hundred and five dollars and forty-nine cents, (\$17,405.49). Leaving the net liabilities at that time one million two hundred and nine thousand five hundred and ninety-four dollars and fifty-one cents, (\$1,209,594.51). But the amount of the sinking fund then on hand, which was fifty-nine thousand six hundred and thirty-seven dollars and seventy-one cents, (%59,637.71), was applicable in reduction of that sum,—leaving the net liabilities of the State, not then provided for, one million one hundred and forty-nine thousand, nine hundred and fifty-six dollars and eighty cents, (\$1,149,956.80).

The funded debt has been reduced during the year, one hundred and seventy-nine thousand five hundred dollars, (\$179,500.00)—which sum includes the bonds purchased, by not cancelled; and the net reduction of the total liability of the State during the year, treating those bonds as paid, has been one hundred and fifty-seven thousand forty-two dollars and thirty-four cents, (\$157,042.34).

At the close of the war in 1865 the funded debt was one million six hundred and fifty thousand dollars, (1,650,000.00); and the total liabilities of the State were one million eight hundred and thirty-four thousand one hundred and sixty-three dollars and ninety-six cents, (\$1,834,163.96). During the four years which have elapsed since that time the funded debt has been reduced six hundred and two thousand five hundred dollars, (\$602,500.00); and the total liabilities not provided for, have been reduced eight hundred and forty-one thousand two hundred and fifty-nine dollars and fifty cents, (\$841,259.50).

The bonds of the State to the amount of four hundred and eighty thousand dollars, (\$480,000.00) fall due June 1, 1871; of which four hundred and four thousand three hundred and five dollars and ninety-eight cents (\$404,305.98), remain unprovided for; and provision should be made for their prompt payment at maturity. As the Auditor of Accounts gives no very certain assurance that any considerable amount will be received within that time from the General Government in farther payment of the claim of the State against the United States, this will involve the necessity of increasing the present year and the next year the amount appropriated to the sinking fund. The amount appropriated for that purpose in 1868 was one hundred thousand dollars, (\$100,000.00); but the amount actually applied to that fund from the tax levied in 1868 has been but sixty thousand dollars, (\$60,000.00). And if the excess of the current expenses over the current resources, —twenty-one thousand one hundred and eight dollars and forty-eight cents, (\$21,108.48)—had been paid from the avails of the tax, it would have left applicable to the sinking fund from that source but thirty-eight thousand eight hundred and ninety-one dollars and fifty-two cents, (\$38,891.52), instead of one hundred thousand dollars, (\$100,000.00), as intended. This is due to the fact, that the amount required to be paid during the year for the expenses of the State, allotment claims, claims for the State pay due to soldiers in the late war, and other matters, other than payment of interest on bonds and loans, has largely exceeded the amount estimated at the commencement of the year, upon which estimate the amount of the tax levied in 1868 was based.

It is obvious, that for the purpose of meeting the current expenses of the present year, and such claims against the State as are due and outstanding, and making the necessary provision for the redemption of the bonds due in 1871, a larger tax must be imposed than was levied in 1868,—the necessary amount of which will be reduced by just so much as the aggregate amount of the current expenses for the year can be reduced. It becomes, therefore, the peremptory duty, as it undoubtedly will be the pleasure, of the General Assembly, and of every officer of the State, to provide for and practice strictest economy in all matters affecting the finances of the State.

#### COMMON SCHOOLS.

I commend to your care the educational interest of the State,—the common schools, the academies and the colleges. At the foundation of these interests is the principle, recognized even previous to the adoption of the present Constitution of the State, that the State is under obligation to provide free schools for the education of all its children; and from this follows naturally the requirement, that the schools thus provided shall be the best of their kind, which can be furnished for the amount of money expended, and that those, for whose benefit they are furnished, shall partake of their advantages. And in enlarging and improving the standard of education in the common schools, you inevitably advance in a corresponding degree the standard and value of the higher institutions of learning.

The great number of small school districts in the State, and the low grade of attainment which in too many cases is required of teachers by those who are charged with the duty of employing them, are serious obstacles to the full development of the improvement of which the school system is susceptible. In a small district, containing but few families, as compared with a large district containing many families, it is obvious, that one of two results must follow:—if good teachers are employed, who can command high wages, the expense for each scholar must be greatly increased above the average of the larger districts; and if the expense for each scholar is kept within the average, it will be by the employment of poor teacher, who can only command and are willing to serve for low wages. For remedying this objection the Board of Education recommend, that all school districts be abolished, and that the support and supervision of the schools be committed directly to the towns; and I commend to your careful consideration their Report, together with the Report of the Secretary of the Board, stating in detail the reasons for the recommendation,—not doubting that you will act wisely and with all discretion in a matter of so grave importance.

The establishment and continuance of Normal Schools and Teachers' Institutes for the education of teachers is a great improvement upon the school system of former years, and their beneficial effect is already manifest in the advance of the standard of common school education. But the full measure of their benefit has probably not yet been attained. The Board of Education and their Secretary have made some suggestions in this respect which are sufficiently important to justify deliberate examination of the subject and judicious action.

The expenditure for the support of schools each year is about five hundred thousand dollars; and this assumption and performance by the State of its duty to provide for the education of all its children imposes a corresponding obligation that those, for whom this provision is made, shall avail themselves of its advantages. The State has as good right to require, for its own protection against anarchy and misrule, the results of ignorance and idleness, that the children shall be educated, as to require allegiance as the corresponding duty to the obligation of protection. Yet a very large number of the children in the State, both native and foreign born, do not attend any school; and the present law is insufficient to compel them to do so. I recommend, that more practical and stringent provision be made in this respect.

#### MILITIA.

The present condition of the Militia is shown by the Report of the Adjutant and Inspector General, which will be before you. A positive requirement, that the companies composing the several regiments shall be brought in competition with each other each year by regimental parade, would very greatly promote its drill, discipline, general efficiency, and consequent value for the purpose for which it is maintained, and would tend greatly to the completion of the organizations now authorized, by stimulating the formation, by voluntary enlistment, of the additional companies required for that purpose.

#### ANNUAL REPORTS.

The remaining Annual Reports, to which I have not alluded, will be laid before you for your consideration. I have not yet had opportunity to give to them that careful examination which their importance requires. Should I find it necessary to do so, I will call your attention to them during your session.

#### LAW REGULATING RATE OF INTEREST.

There is one matter of existing legislation, which I regard as of sufficient importance in its present bearing to justify my calling to it your special attention. The certainty that an existing positive law can not be violated with impunity,--that transgression, if known, will surely be followed by punishment,--has as much influence in promoting respect for the law and preventing its violation, as the example of visible actual punishment. And the continued existence upon the statute book of a positive law, which has become so far obsolete as to be wholly disregarded and openly violated with entire impunity, has a tendency to weaken respect for all law. The law of this State prescribing the legal rate of interest for money loaned, and positively prohibiting the taking, either directly, or indirectly, of a greater rate of interest than the rate prescribed, is now in this condition. It is daily and openly violated by banks and by individuals, and its violation is entirely disregarded. It serves only as a check upon those, who are too conscientious to knowingly disregard any positive law, and operates as an inducement to them to send their capital abroad for investment, instead of investing it in the State for the promotion of its industrial, manufacturing and mechanical interests. It is thus a direct element of moral and practical mischief. The only remedy for its enforcement is given to those, who consent to borrow money at a rate exceeding the lawful rate, and involves the necessity of their bringing suit to recover back money, which they have paid in pursuance of their voluntary agreement. It thus operates mischievously both ways. If allowed to be violated with impunity, it weakens respect for all law; and a remedy for its violation can only be obtained by sanctioning the violation of the promise, in reliance upon which the loan was effected.

I recommend, that the subject be carefully considered, and that the law be essentially modified, or ample provision made for its enforcement by the ordinary officers of the law, or by some person not a part to its violation,--and this without reference to any supposed interest of either borrower, or lender, but only for the promotion of a sound morality and respect for law. If the State is willing, that there shall be no power to enforce a penalty for a violation of the positive prohibition, if the parties agree that it shall not be enforced,--that if both are assenting parties to the violation without punishment, then such violation is legitimate and can not be

punished,--it is better to legalize such agreement by positive legislation; and if the violation of the prohibition is contrary to the moral sense of the legislature, then effective provision should be made for the punishment of such violation.

#### DEVELOPMENT OF RESOURCES.

The people of this State are and must necessarily ever remain essentially an agricultural community, although the progress made in the development of the mineral resources of the State, the marble, slate and iron, found in almost inexhaustible quantities, has to a considerable degree modified the original character of the State in this respect. The result is, that large numbers of our young men, trained to depend for their livelihood upon the fruits of patient toil upon the farm, attracted by the rich soil, easy cultivation and large returns of the alluvial regions of the Western States, leave the State yearly, thereby preventing any considerable increase of our population, and enriching the States, to which they remove, with intelligent citizens bred in the law abiding and God fearing habits of New England.

Every new branch of industry, which is introduced into the State, has a tendency to modify and control this difficulty, with which, as a State, we now have to contend, and at the same time by developing and improving the resources of the State adds to its capital and by enlarging the basis decreases the rate of taxation, and directly benefits the agriculturists of the State, by increasing the number of home consumers of agricultural products. Every considerable stream in the State affords water power in numerous places, which has not yet been put to use, and large amounts of lumber, iron, and other material are sent every year from the State to be manufactured in other States and returned in their manufactured form to be consumed in this State,--thus paying to other communities the profits upon the manufacture, which might and should be enjoyed by our own citizens.

It is worthy of serious consideration, whether some means may not be devised, by which the resources of the State may be developed and put to use within our own limits,--whether by wise and judicious encouragement of the various forms of manufacturing and mechanical industry, capital may not be induced to flow into the State for investment, and the capital within the State be retained for investment at home, Possibly a modification of the interest laws to a certain extent, or the absolute exemption from taxation, for a limited time, of capital invested in new manufacturing or mechanical establishments, instead of leaving it, as at present, to the uncertain action of towns, might have a tendency to promote this result; and other modes of accomplishing the purpose may suggest themselves to the wisdom of the legislature. It is a subject deserving of careful consideration, and the example set by other States may be studied in good purpose.

#### LEGISLATION.

Legislative law, like judicial law, derives its chief element of value from its stability. A judicial body, which should annually modify, or overrule, its previous decisions, would be regarded as unsettling the course of business and would cease to command respect. Every person, which requires that the course of judicial decisions should only be varied for the most cogent reasons, which has made "*stare decisis*" one of the maxims of the law, applies with equal force to general legislative enactments involving the rights and relations of persons and of communities. Yet it is well understood that while courts change their decisions, when once made, only with extreme reluctance and as the result of the most deliberate examination, legislative bodies feel themselves governed by no such rule, but yearly repeal, modify and essentially change laws, both legislative and judicial, previously existing.

This constant change in the course of legislative enactments is fraught with mischief; for, so that a law be not positively mischievous, it is of full as much importance, that it be thoroughly and generally understood what the law is, as that it should be in all its details the most perfect system that can be devised. A wise conservatism of the laws as they exist, so far as is consistent with a due regard to the progress of the age and the changing course of business relations, would go far to make the general body of the law better understood and respected, to place upon a firm foundation the interests of the State and of individuals, and at the same time be promotive of sound economy by diminishing the amount of business transacted by the General Assembly, and thus shortening the length of its sessions.

Much time is consumed annually in the consideration and enactment of bills for the formation of private corporations. By chapters eighty-six and ninety of the General Statutes provision is made for the voluntary association of individuals, with full corporate powers, for the various purposes therein enumerated, and a carefully prepared and well guarded system provided for their control and management. Yet of the whole number of charters for private corporations, enacted in the years 1864 to 1868, inclusive, sixty *per cent*, are for corporations which might equally as well have been formed under the general laws without coming before and consuming the time of the General Assembly.

Due regard to a wise economy in the expenses of the State requires, that your session should be limited to the shortest time which may be consistent with a proper transaction of the business which may come before you. A judicious disinclination, decisively manifested, to adopt any proposed change of existing laws, or any general legislation for special cases, without the clearest conviction of their utility, and a requirement, that all persons desirous of being incorporated for any of the purposes, for which provision for association with corporate powers is made by the general laws, should form their association under those laws, or that a bill for such purpose should only be entertained upon prepayment to the Treasurer of a specified sum of money for the use of the State, would have great effect in producing this most desirable result by diminishing to a considerable extent the amount of business which otherwise may claim your attention.

#### FIFTEENTH AMENDMENT.

Among the business, which should earliest receive your attention, is the consideration of the proposed Fifteenth Amendment of the Constitution of the United States, the adoption of which by the requisite number of States will, for the first time in the history of the Nation, give reality in fact to the truth enunciated in the Declaration of Independence, and incorporated into the Constitution of Vermont, that "all men are created equal," and will preserve inviolate the public faith pledged to the National freedmen. The sense of the people of Vermont upon this subject has been too often expressed by themselves through the ballot box and by the action of their representatives in General Assembly, to leave the question of its speedy adoption by you for a moment in doubt, or even open to debate. It is a measure demanded alike by justice, by good faith, and by common humanity.

Trusting that without the necessity of a protracted session, you may be able to transact wisely all necessary business claiming your attention, I leave with you the care of the interests of the State and of its citizens, again invoking for your deliberations and your action the divine guidance of an overruling Providence.

PETER T. WASHBURN

MONTPELIER, October 16, 1869.