

**IS VIRGINIA A REPUDIATING
STATE? AND THE
STATE'S GUARANTEE, WHAT
IS IT WORTH?; PP. 3-41**

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Is Virginia a Repudiating State? And The State's Guarantee, what is it Worth?; pp. 3-41 by
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ROBERT TYLER

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IS VIRGINIA A REPUDIATING STATE?

AND

THE STATE'S GUARANTEE, WHAT IS IT WORTH?

BEING TWO LETTERS BY

ROBERT TYLER, ESQ.
OF PHILADELPHIA,

AND AN EXAMINATION, BY

“A CITIZEN” OF VIRGINIA,

OF THE DECISION OF THE

SUPERIOR COURT OF CHANCERY FOR THE RICHMOND CIRCUIT,

IN THE CASE OF THE

RICHMOND, FREDERICKSBURG AND POTOMAC RAIL ROAD COMPANY

VS.

THE VIRGINIA CENTRAL, AND ORANGE & ALEXANDRIA R. R. COMPANIES.

RICHMOND:

PRINTED AT THE WHIG JOB OFFICE.

1858.

IS VIRGINIA A REPUDIATING STATE?

PHILADELPHIA, August 21, 1858.

To the Editors of the Enquirer:

Gentlemen,—It is with no little chagrin that I venture to address such a question to you—is Virginia a repudiating State? Although I am now, and have been for years past a citizen of Pennsylvania, and am bound to my adopted State by the strongest of personalities, as well as by a sense of gratitude and interest, the old Commonwealth of Virginia is as dear to me as a faithful memory and a just pride can make her. Recently in a conversation with a friend here, a man of character and substance, I expressed my surprise at the low price of Virginia State bonds; my attention having been attracted to the fact, that while New York and Massachusetts fives, and even New York City fives, were *at a premium*, Virginia sixes were but little above 90; and I added, that with the great resources and the unsullied faith of Virginia, her obligations ought to be esteemed as safe as British consols. My friend asked, with rather a doubtful expression at my emphasis, if I was not aware that the faith of Virginia was *not* unsullied, and that he was sorry to say to *me*, a born Virginian, there was in her history one gross breach of public faith, by which *he*, a Philadelphian, had been and was a sufferer. I naturally and with no little mortification, made further inquiries (as I have since done of others, to whom I have been referred, and with precisely a similar exposition in every instance) when he presented, substantially, the following statement:

“That he was one of the original subscribers to the stock of the Richmond, Fredericksburg and Potomac

Rail Road Company; that he and many others in Philadelphia had made subscriptions to this then doubtful enterprise, on the solemn pledge given by the Legislature of the State, the nature of which was fully discussed and understood at the time, and given only, because without such pledge subscriptions in this or any other market could not have been obtained for the stock, *that the work should be protected for the term of thirty years from its completion, against all competition for travel between Richmond and Washington.* That notwithstanding this pledge and the published admission of the Virginia Central Rail Road Company, (then the Louisa,) at the time of extending their road from the junction to Richmond, that they would have no *right* to carry passengers between Richmond and Washington, and their then declaration that they had no *intention* to convey such passengers, nevertheless as any one could see by the advertisements in the newspapers and elsewhere, *through* tickets are now and have been for some time back, sold by this road and the Orange and Alexandria Rail Road, for all travel passing between Richmond and Washington, whether passing merely between these cities or going further North or South; while so far the Richmond, Fredericksburg and Potomac Rail Road, in which he had become interested on what he supposed the inviolate faith of the State, had entirely failed to obtain of the courts of the State any redress for this grievance, by which the Company had been at great loss, and on account of which its bonds and stock had been depreciated."

Now, Messrs. Editors, if the case be as stated by my friend and corroborated by others, (and I have great confidence in the good sense and veracity of my informants,) it seems to me one of such moment to all who feel concerned in the true honor and welfare of Virginia, that in the midst of many pressing engagements, I

have determined to bring the matter to your notice and that of the people of Virginia. I have the conviction that nothing is or can be more sensitive than credit, or more important to the standing and welfare of a State than *unbroken and unsullied faith*.

It is perhaps proper I should add that I have not the slightest pecuniary interest in the Richmond, Fredericksburg and Potomac Rail Road Company, never having even seen a certificate of stock or bond of said Company. But the honor of the Old Dominion should be unsuspected. It should not be the subject on the streets of this or any other city, of either an honest complaint or of a pitiless taunt; and I can plainly perceive it can scarcely continue to be confided in, if a palpable breach of it remain unredressed by the courts of the Commonwealth, and countenanced by public opinion. You are aware that the reasoning of every reflecting mind must be, that if the faith of the State cannot be preserved and protected *against merely a conflicting interest doing flagrant wrong and admitting it at the same moment*, its sacred inviolability *cannot* be depended on when the State shall have borrowed all it wants, *or that it can borrow*, and the tax payers finding their taxes onerous may be tempted to listen to the advice of demagogues and throw them off.

Your obedient servant and friend,

ROBERT TYLER.

PHILADELPHIA, Sept. 5, 1858.

To the Editors of the Esquire:

Messrs. Editors,—Accept my best thanks for having so promptly published my communication, headed “Is Virginia a repudiating State?” I have read your pre-

factory editorial comments with the strict attention the importance of the subject demands, and I sincerely wish I could now deem it proper to abstain from all further reference to this unpleasant topic, and point to the editorial columns of the "Enquirer" as affording a complete vindication of the good faith of the State of Virginia when impugned, by what I might then regard, as the querulous cavilling and complaints of the bond and stockholders of the Richmond, Fredericksburg and Potomac Rail Road Company, residing in the city of Philadelphia. I trust you do not doubt that it would be my pride and pleasure to concur with you in opinion, if I could conscientiously do so, and thus concurring, to set about the work—a somewhat difficult task from all appearances—of disabusing the minds of many substantial men here of false impressions. It would indeed afford me the greatest pleasure to be able to satisfy them that they have no more reason *now* for doubting the good faith of my native State, than they had when they subscribed, years ago, large sums of money to construct the Richmond, Fredericksburg and Potomac Rail Road, on the *pledge* of the General Assembly contained in the thirty-eighth section of the Charter of the Company. But I must frankly declare that, after as full an examination of the question as circumstances will admit, I *cannot* agree with you. I will, therefore, proceed to present to you, and to the people of Virginia, as briefly as may be, my reason for differing from your conclusions, as set forth in your remarks accompanying my communication. And in the first place permit me to call your attention to the 38th section of the Act of Incorporation of the Richmond, Fredericksburg and Potomac Rail Road Company. It reads thus:

"And, whereas, the rail road authorized by this act will form a part of the main Northern and Southern route between the city of Richmond and the city of

Washington, and the privilege of transporting passengers on the same and receiving the passage money, will, it is believed, be a strong inducement for individuals to subscribe for stock in the company, and the General Assembly considers it just and reasonable that those who embark in the enterprise should not be hereafter deprived of that which forms a chief inducement to the undertaking:

“38th. Be it, therefore, enacted and declared, and the General Assembly *pledges* itself to the said company, that, in the event of the completion of the said rail road from the city of Richmond to the town of Fredericksburg, within the time limited by this act, the General Assembly will not, for the period of thirty years from the completion of the said rail road, allow any other rail road to be constructed between the city of Richmond and the city of Washington, or for any portion of the said distance, the probable effect of which would be to diminish the number of passengers travelling between the one city and the other, upon the rail road authorized by this act, or to compel the company, in order to retain such passengers, to reduce the passage money: Provided, however, that nothing herein contained shall be so construed as to prevent the Legislature, at any time hereafter, from authorizing the construction of a rail road between the city of Richmond and the towns of Tappahannock or Urbanna, or to any intermediate points between the said city of Richmond and the said towns: And provided, also, that nothing herein contained shall be construed to prevent the General Assembly from chartering any other company or companies to construct a rail road from Fredericksburg to the city of Washington.”

If I interpret your remarks correctly you seem to think that this solemn pledge or guarantee of the Legislature of Virginia, viz: “That the General Assembly will not, for the period of thirty years from the comple-