BENTON THOMAS HART

THIRTY YEARS' VIEW (VOL. II OF 2)

Thomas Benton

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Содержание

Thomas Hart Benton
Thirty Years' View (Vol. II of 2) / or, A History of the Working of the American Government / for Thirty Years, from 1820 to 1850

CHAPTER I.
INAUGURATION OF MR. VAN BUREN

March the 4th of this year, Mr. Van Buren was inaugurated President of the United States with the usual formalities, and conformed to the usage of his predecessors in delivering a public address on the occasion: a declaration of general principles, and an indication of the general course of the administration, were the tenor of his discourse: and the doctrines of the democratic school, as understood at the original formation of parties, were those professed. Close observance of the federal constitution as written – no latitudinarian constructions permitted, or doubtful powers assumed – faithful adherence to all its compromises – economy in the administration of the government – peace, friendship and fair dealing with all foreign nations – entangling alliances with none: such was his political chart: and with the expression of his belief that a perseverance in this line of foreign policy, with an increased strength, tried valor of the people, and exhaustless resources of the country, would entitle us to the good will of nations, protect our national respectability, and secure us from designed aggression from foreign powers. His expressions and views on this head deserve to be commemorated, and to be considered by all those into whose hands the management of the public affairs may go; and are, therefore, here given in his own words:

> "Our course of foreign policy has been so uniform and intelligible, as to constitute a rule of executive conduct which leaves little to my discretion, unless, indeed, I were willing to run counter to the lights of experience, and the known opinions of my constituents. We sedulously cultivate the friendship of all nations, as the condition most compatible with our welfare, and the principles of our government. We decline alliances, as adverse to our peace. We desire commercial relations on equal terms, being ever willing to give a fair equivalent for advantages received. We endeavor to conduct our intercourse with openness and sincerity; promptly avowing our objects, and seeking to establish that mutual frankness which is as beneficial in the dealings of nations as of men. We have no disposition, and we disclaim all right, to meddle in disputes, whether internal or foreign, that may molest other countries; regarding them, in their actual state, as social communities, and preserving a strict neutrality in all their controversies. Well knowing the tried valor of our people, and our exhaustless resources, we neither anticipate nor fear any designed aggression; and, in the consciousness of our own just conduct, we feel a security that we shall never be called upon to exert our determination, never to permit an invasion of our rights, without punishment or redress."

These are sound and encouraging views, and in adherence to them, promise to the United States a career of peace and prosperity comparatively free from the succession of wars which have loaded so many nations with debt and taxes, filled them with so many pensioners and paupers, created so much necessity for permanent fleets and armies; and placed one half the population in the predicament of living upon the labor of the other. The stand which the United States had acquired among nations by

the vindication of her rights against the greatest powers – and the manner in which all unredressed aggressions, and all previous outstanding injuries, even of the oldest date, had been settled up and compensated under the administration of President Jackson – authorized this language from Mr. Van Buren; and the subsequent conduct of nations has justified it. Designed aggression, within many years, has come from no great power: casual disagreements and accidental injuries admit of arrangement: weak neighbors can find no benefit to themselves in wanton aggression, or refusal of redress for accidental wrong: isolation (a continent, as it were, to ourselves) is security against attack; and our railways would accumulate rapid destruction upon any invader. These advantages, and strict adherence to the rule, to ask only what is right, and submit to nothing wrong, will leave us (we have reason to believe) free from hostile collision with foreign powers, free from the necessity of keeping up war establishments of army and navy in time of peace, with our great resources left in the pockets of the people (always the safest and cheapest national treasuries), to come forth when public exigencies require them, and ourselves at liberty to pursue an unexampled career of national and individual prosperity.

One single subject of recently revived occurrence in our domestic concerns, and of portentous apparition, admitted a departure from the generalities of an inaugural address, and exacted from the new President the notice of a special declaration: it was the subject of slavery – an alarming subject of agitation near twenty years before – quieted by the Missouri compromise – resuscitated in 1835, as shown in previous chapters of this View; and apparently taking its place as a permanent and most pestiferous element in our presidential elections and federal legislation. It had largely mixed with the presidential election of the preceding year: it was expected to mix with ensuing federal legislation: and its evil effect upon the harmony and stability of the Union justified the new President in making a special declaration in relation to it, and even in declaring beforehand the cases of slavery legislation in which he would apply the qualified negative with which the constitution invested him over the acts of Congress. Under this sense of duty and propriety the inaugural address presented this passage:

"The last, perhaps the greatest, of the prominent sources of discord and disaster supposed to lurk in our political condition, was the institution of domestic slavery. Our forefathers were deeply impressed with the delicacy of this subject, and they treated it with a forbearance so evidently wise, that, in spite of every sinister foreboding, it never, until the present period disturbed the tranquillity of our common country. Such a result is sufficient evidence of the justice and the patriotism of their course; it is evidence not to be mistaken, that an adherence to it can prevent all embarrassment from this, as well as from every other anticipated cause of difficulty or danger. Have not recent events made it obvious to the slightest reflection, that the least deviation from this spirit of forbearance is injurious to every interest, that of humanity included? Amidst the violence of excited passions, this generous and fraternal feeling has been sometimes disregarded; and, standing as I now do before my countrymen in this high place of honor and of trust, I cannot refrain from anxiously invoking my fellow-citizens never to be deaf to its dictates. Perceiving, before my election, the deep interest this subject was beginning to excite, I believed it a solemn duty fully to make known my sentiments in regard to it; and now, when every motive for misrepresentations have passed away, I trust that they will be candidly weighed and understood. At least, they will be my standard of conduct in the path before me. I then declared that, if the desire of those of my countrymen who were favorable to my election was gratified, 'I must go into the presidential chair the inflexible and uncompromising opponent of every attempt, on the part of Congress, to abolish slavery in the District of Columbia, against the wishes of the slaveholding States; and also with a determination equally decided to resist the slightest interference with it in the States where it exists.' I submitted also to my fellow-citizens, with fulness and frankness, the reasons which led me to this determination. The result authorizes me to believe that they have been approved, and are confided in, by a majority of the people of the United States, including those whom they most immediately affect. It now only remains to add, that no bill conflicting with these views can ever receive my constitutional sanction. These opinions have

been adopted in the firm belief that they are in accordance with the spirit that actuated the venerated fathers of the republic, and that succeeding experience has proved them to be humane, patriotic, expedient, honorable and just. If the agitation of this subject was intended to reach the stability of our institutions, enough has occurred to show that it has signally failed; and that in this, as in every other instance, the apprehensions of the timid and the hopes of the wicked for the destruction of our government, are again destined to be disappointed."

The determination here declared to yield the presidential sanction to no bill which proposed to interfere with slavery in the States; or to abolish it in the District of Columbia while it existed in the adjacent States, met the evil as it then presented itself – a fear on the part of some of the Southern States that their rights of property were to be endangered by federal legislation: and against which danger the veto power was now pledged to be opposed. There was no other form at that time in which slavery agitation could manifest itself, or place on which it could find a point to operate – the ordinance of 1787, and the compromise of 1820, having closed up the Territories against it. Danger to slave property in the States, either by direct action, or indirectly through the District of Columbia, were the only points of expressed apprehension; and at these there was not the slightest ground for fear. No one in Congress dreamed of interfering with slavery in the States, and the abortion of all the attempts made to abolish it in the District, showed the groundlessness of that fear. The pledged veto was not a necessity, but a propriety; – not necessary, but prudential; – not called for by anything in congress, but outside of it. In that point of view it was wise and prudent. It took from agitation its point of support – its means of acting on the fears and suspicions of the timid and credulous: and it gave to the country a season of repose and quiet from this disturbing question until a new point of agitation could be discovered and seized.

The cabinet remained nearly as under the previous administration: Mr. Forsyth, Secretary of State; Mr. Woodbury, Secretary of the Treasury; Mr. Poinsett, Secretary at War; Mr. Mahlon Dickerson, Secretary of the Navy; Mr. Amos Kendall, Postmaster General; and Benjamin F. Butler, Esq. Attorney General. Of all these Mr. Poinsett was the only new appointment. On the bench of the Supreme Court, John Catron, Esq. of Tennessee, and John McKinley, Esq. of Alabama, were appointed Justices; William Smith, formerly senator in Congress from South Carolina, having declined the appointment which was filled by Mr. McKinley. Mr. Butler soon resigning his place of Attorney General, Henry D. Gilpin, Esq. of Pennsylvania (after a temporary appointment of Felix Grundy, Esq. of Tennessee), became the Attorney General during the remainder of the administration.

CHAPTER II.
FINANCIAL AND MONETARY CRISIS: GENERAL SUSPENSION OF SPECIE PAYMENTS BY THE BANKS

The nascent administration of the new President was destined to be saluted by a rude shock, and at the point most critical to governments as well as to individuals – that of deranged finances and broken-up treasury; and against the dangers of which I had in vain endeavored to warn our friends. A general suspension of the banks, a depreciated currency, and the insolvency of the federal treasury, were at hand. Visible signs, and some confidential information, portended to me this approaching calamity, and my speeches in the Senate were burthened with its vaticination. Two parties, inimical to the administration, were at work to accomplish it – politicians and banks; and well able to succeed, because the government money was in the hands of the banks, and the federal legislation in the hands of the politicians; and both interested in the overthrow of the party in power; – and the overthrow of the finances the obvious means to the accomplishment of the object. The public moneys had been withdrawn from the custody of the Bank of the United States: the want of an independent, or national treasury, of necessity, placed them in the custody of the local banks: and the specie order of President Jackson having been rescinded by the Act of Congress, the notes of all these banks, and of all others in the country, amounting to nearly a thousand, became receivable in payment of public dues. The deposit banks became filled up with the notes of these multitudinous institutions, constituting that surplus, the distribution of which had become an engrossing care with Congress, and ended with effecting the object under the guise of a deposit with the States. I recalled the recollection of the times of 1818-19, when the treasury reports of one year showed a superfluity of revenue for which there was no want, and of the next a deficit which required to be relieved by a loan; and argued that we must now have the same result from the bloat in the paper system which we then had. I demanded —

"Are we not at this moment, and from the same cause, realizing the first part – the illusive and treacherous part – of this picture? and must not the other, the sad and real sequel, speedily follow? The day of revulsion must come, and its effects must be more or less disastrous; but come it must. The present bloat in the paper system cannot continue: violent contraction must follow enormous expansion: a scene of distress and suffering must ensue – to come of itself out of the present state of things, without being stimulated and helped on by our unwise legislation."

Of the act which rescinded the specie order, and made the notes of the local banks receivable in payment of all federal dues, I said:

"This bill is to be an era in our legislation and in our political history. It is to be a point on which the view of the future age is to be thrown back, and from which future consequences will be traced. I separate myself from it: I wash my hands of it: I oppose it. I am one of those who promised gold – not paper. I promised the currency of the constitution, not the currency of corporations. I did not join in putting down the Bank of the United States to put up a wilderness of local banks. I did not join in putting down the paper currency of a national bank, to put up a national paper currency of a thousand local banks. I did not strike Cæsar to make Antony master of Rome."

The condition of our deposit banks was desperate – wholly inadequate to the slightest pressure on their vaults in the ordinary course of business, much less that of meeting the daily government drafts and the approaching deposit of near forty millions with the States. The necessity of keeping one-third of specie on hand for its immediate liabilities, was enforced from the example and rule of the Bank of England, while many of our deposit banks could show but the one-twentieth, the one-thirtieth, the one-fortieth, and even the one-fiftieth of specie in hand for immediate liabilities in circulation and deposits. The sworn evidence of a late Governor of the Bank of England (Mr. Horsely Palmer), before a parliamentary committee, was read, in which he testified that the average

proportion of coin and bullion which the bank deems it prudent to keep on hand, was at the rate of the third of the total amount of all her liabilities – including deposits as well as issues. And this was the proportion which that bank deemed it prudent to keep – that bank which was the largest in the world, situated in the moneyed metropolis of Europe, with its list of debtors within the circuit of London, supported by the richest merchants in the world, and backed by the British government, which stood her security for fourteen millions sterling, and ready with her supply of exchequer bills (the interest to be raised to insure sales), at any moment of emergency. Tested by the rule of the Bank of England, and our deposit banks were in the jaws of destruction; and this so evident to me, that I was amazed that others did not see it – those of our friends who voted with the opponents of the administration in rescinding the specie order, and in making the deposit with the States. The latter had begun to take effect, at the rate of about ten millions to the quarter, on the first day of January preceding Mr. Van Buren's inauguration: a second ten millions were to be called for on the first of April: and like sums on the first days of the two remaining quarters. It was utterly impossible for the banks to stand these drafts; and, having failed in all attempts to wake up our friends, who were then in the majority, to a sense of the danger which was impending, and to arrest their ruinous voting with the opposition members (which most of them did), I determined to address myself to the President elect, under the belief that, although he would not be able to avert the blow, he might do much to soften its force and avert its consequences, when it did come. It was in the month of February, while Mr. Van Buren was still President of the Senate, that I invited him into a committee room for that purpose, and stated to him my opinion that we were on the eve of an explosion of the paper system and of a general suspension of the banks – intending to follow up that expression of opinion with the exposition of my reasons for thinking so: but the interview came to a sudden and unexpected termination. Hardly had I expressed my belief of this impending catastrophe, than he spoke up, and said, "Your friends think you a little exalted in the head on that subject." I said no more. I was miffed. We left the room together, talking on different matters, and I saying to myself, "*You will soon feel the thunderbolt.*" But I have since felt that I was too hasty, and that I ought to have carried out my intention of making a full exposition of the moneyed affairs of the country. His habitual courtesy, from which the expression quoted was a most rare departure, and his real regard for me, both personal and political (for at that time he was pressing me to become a member of his cabinet), would have insured me a full hearing, if I had shown a disposition to go on; and his clear intellect would have seized and appreciated the strong facts and just inferences which would have been presented to him. But I stopped short, as if I had nothing more to say, from that feeling of self-respect which silences a man of some pride when he sees that what he says is not valued. I have regretted my hastiness ever since. It was of the utmost moment that the new President should have his eyes opened to the dangers of the treasury, and my services on the Committee of Finance had given me opportunities of knowledge which he did not possess. Forewarned is forearmed; and never was there a case in which the maxim more impressively applied. He could not have prevented the suspension: the repeal of the specie circular and the deposit with the States (both measures carried by the help of votes from professing friends), had put that measure into the hands of those who would be sure to use it: but he could have provided against it, and prepared for it, and lessened the force of the blow when it did come. He might have quickened the vigilance of the Secretary of the Treasury – might have demanded additional securities from the deposit banks – and might have drawn from them the moneys called for by appropriation acts. There was a sum of about five millions which might have been saved with a stroke of the pen, being the aggregate of sums drawn from the treasury by the numerous disbursing officers, and left in the banks in their own names for daily current payments: an order to these officers would have saved these five millions, and prevented the disgrace and damage of a stoppage in the daily payments, and the spectacle of a government waking up in the morning without a dollar to pay the day-laborer with, while placing on its statute book a law for the distribution of forty millions of surplus. Measures like these, and others which a prudent vigilance would have

suggested, might have enabled the government to continue its payments without an extra session of Congress, and without the mortification of capitulating to the broken banks, by accepting and paying out their depreciated notes as the currency of the federal treasury.

CHAPTER III.
PREPARATION FOR THE DISTRESS AND SUSPENSION

In the autumn of the preceding year, shortly before the meeting of Congress, Mr. Biddle, president of the Pennsylvania Bank of the United States (for that was the ridiculous title it assumed after its resurrection under a Pennsylvania charter), issued one of those characteristic letters which were habitually promulgated whenever a new lead was to be given out, and a new scent emitted for the followers of the bank to run upon. A new distress, as the pretext for a new catastrophe, was now the object. A picture of ruin was presented, alarm given out, every thing going to destruction; and the federal government the cause of the whole, and the *national* recharter of the defunct bank the sovereign remedy. The following is an extract from that letter.

> "The Bank of the United States has not ceased to exist more than seven months, and already the whole currency and exchanges are running into inextricable confusion, and the industry of the country is burdened with extravagant charges on all the commercial intercourse of the Union. And now, when these banks have been created by the Executive, and urged into these excesses, instead of gentle and gradual remedies, a fierce crusade is raised against them, the funds are harshly and suddenly taken from them, and they are forced to extraordinary means of defense against the very power which brought them into being. They received, and were expected to receive, in payment for the government, the notes of each other and the notes of other banks, and the facility with which they did so was a ground of special commendation by the government; and now that government has let loose upon them a demand for specie to the whole amount of these notes. I go further. There is an outcry abroad, raised by faction, and echoed by folly, against the banks of the United States. Until it was disturbed by the government, the banking system of the United States was at least as good as that of any other commercial country. What was desired for its perfection was precisely what I have so long striven to accomplish – to widen the metallic basis of the currency by a greater infusion of coin into the smaller channels of circulation. This was in a gradual and judicious train of accomplishment. But this miserable foolery about an exclusively metallic currency, is quite as absurd as to discard the steamboats, and go back to poling up the Mississippi."

The lead thus given out was sedulously followed during the winter, both in Congress and out of it, and at the end of the session had reached an immense demonstration in New York, in the preparations made to receive Mr. Webster, and to hear a speech from him, on his return from Washington. He arrived in New York on the 15th of March, and the papers of the city give this glowing account of his reception:

> "In conformity with public announcement, yesterday, at about half past 3 o'clock, the Honorable Daniel Webster arrived in this city in the steamboat Swan from Philadelphia. The intense desire on the part of the citizens to give a grateful reception to this great advocate of the constitution, set the whole city in motion towards the point of debarkation, for nearly an hour before the arrival of the distinguished visitor. At the moment when the steamboat reached the pier, the assemblage had attained that degree of density and anxiety to witness the landing, that it was feared serious consequences would result. At half past 3 o'clock Mr.

> Webster, accompanied by Philip Hone and David B. Ogden, landed from the boat amidst the deafening cheers and plaudits of the multitude, thrice repeated, and took his seat in an open barouche provided for the occasion. The procession, consisting of several hundred citizens upon horseback, a large train of carriages and citizens, formed upon State street, and after receiving their distinguished guest, proceeded with great order up Broadway to the apartments arranged for his reception at the American Hotel. The scene presented the most gratifying spectacle. Hundreds of citizens who had been opposed to Mr. Webster in politics, now that he appeared as a private individual, came forth to demonstrate their respect for his private worth and to express their approbation of his personal character; and thousands more who appreciated his principles and political integrity, crowded around to convince him of their personal attachment, and give evidence of their approval of his public acts. The wharves, the shipping, the housetops and windows, and the streets through which the procession passed, were thronged with citizens of every occupation and degree, and loud and continued cheers greeted the great statesman at every point. There was not a greater number at the reception of General Jackson in this city, with the exception of the military, nor a greater degree of enthusiasm manifested upon that occasion, than the arrival upon our shores of Daniel Webster. At 6 o'clock in the evening, the anxious multitude began to move towards Niblo's saloon, where Mr. Webster was to be addressed by the committee of citizens delegated for that purpose, and to which it was expected he would reply. A large body of officers were upon the ground to keep the assemblage within bounds, and at a quarter past six the doors were opened, when the saloon, garden, and avenues leading thereto were instantly crowded to overflowing.
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> The meeting was called to order by Alderman Clark, who proposed for president, David B. Ogden, which upon being put to vote was unanimously adopted. The following gentlemen were then elected vice-presidents, viz: Robert C. Cornell, Jonathan Goodhue, Joseph Tucker, Nathaniel Weed; and Joseph Hoxie and G. S. Robins, secretaries.
>
> Mr. W. began his remarks at a quarter before seven o'clock, P.M. and concluded them at a quarter past nine. When he entered the saloon, he was received with the most deafening cheers. The hall rang with the loud plaudits of the crowd, and every hat was waving. So great was the crowd in the galleries, and such was the apprehension that the apparently weak wooden columns which supported would give way, that Mr. W. was twice interrupted with the appalling cry "*the galleries are falling*," when only a window was broken, or a stove-pipe shaken. The length of the address (two and a half hours), none too long, however, for the audience would with pleasure have tarried two hours longer, compels us to give at present only the heads of a speech which we would otherwise now report in detail."

Certainly Mr. Webster was worthy of all honors in the great city of New York; but having been accustomed to pass through that city several times in every year during the preceding quarter of a century, and to make frequent sojourns there, and to speak thereafter, and in all the characters of politician, social guest, and member of the bar, – it is certain that neither his person nor his speaking could be such a novelty and rarity as to call out upon his arrival so large a meeting as is here described, invest it with so much form, fire it with so much enthusiasm, fill it with so much expectation, unless there had been some large object in view – some great effect to be produced – some consequence to result: and of all which this imposing demonstration was at once the sign and the initiative. No holiday occasion, no complimentary notice, no feeling of personal regard, could have called forth an assemblage so vast, and inspired it with such deep and anxious emotions. It required a public object,

a general interest, a pervading concern, and a serious apprehension of some uncertain and fearful future, to call out and organize such a mass – not of the young, the ardent, the heedless – but of the age, the character, the talent, the fortune, the gravity of the most populous and opulent city of the Union. It was as if the population of a great city, in terror of some great impending unknown calamity, had come forth to get consolation and counsel from a wise man – to ask him what was to happen? and what they were to do? And so in fact it was, as fully disclosed in the address with which the orator was saluted, and in the speech of two hours and a half which he made in response to it. The address was a deprecation of calamities; the speech was responsive to the address – admitted every thing that could be feared – and charged the whole upon the mal-administration of the federal government. A picture of universal distress was portrayed, and worse coming; and the remedy for the whole the same which had been presented in Mr. Biddle's letter – the recharter of *the* national bank. The speech was a manifesto against the Jackson administration, and a protest against its continuation in the person of his successor, and an invocation to a general combination against it. All the banks were sought to be united, and made to stand together upon a sense of common danger – the administration their enemy, the national bank their protection. Every industrial pursuit was pictured as crippled and damaged by bad government. Material injury to private interests were still more vehemently charged than political injuries to the body politic. In the deplorable picture which it presented of the condition of every industrial pursuit, and especially in the "war" upon the banks and the currency, it seemed to be a justificatory pleading in advance for a general shutting up of their doors, and the shutting up of the federal treasury at the same time. In this sense, and on this point, the speech contained this ominous sentence, more candid than discreet, taken in connection with what was to happen:

"*Remember, gentlemen, in the midst of this deafening din against all banks, that if it shall create such a panic, or such alarm, as shall shut up the banks, it will shut up the treasury of the United States also.*"

The whole tenor of the speech was calculated to produce discontent, create distress, and excite alarm – discontent and distress for present sufferings – alarm for the greater, which were to come. This is a sample:

> "Gentlemen, I would not willingly be a prophet of ill. I most devoutly wish to see a better state of things; and I believe the repeal of the treasury order would tend very much to bring about that better state of things. And I am of opinion, gentlemen, that the order will be repealed. I think it must be repealed. I think the east, west, north and south, will demand its repeal. But, gentlemen, I feel it my duty to say, that if I should be disappointed in this expectation, I see no immediate relief to the distresses of the community. I greatly fear, even, that the worst is not yet. I look for severer distresses; for extreme difficulties in exchange; for far greater inconveniences in remittance, and for a sudden fall in prices. Our condition is one not to be tampered with, and the repeal of the treasury order being something which government can do, and which will do good, the public voice is right in demanding that repeal. It is true, if repealed now, the relief will come late. Nevertheless its repeal or abrogation is a thing to be insisted on, and pursued till it shall be accomplished."

The speech concluded with an earnest exhortation to the citizens of New York to do something, without saying what, but which with my misgivings and presentiments, the whole tenor of the speech and the circumstances which attended it – delivered in the moneyed metropolis of the Union, at a time when there was no political canvass depending, and the ominous omission to name what was required to be done – appeared to me to be an invitation to the New York banks to close their doors! which being done by them would be an example followed throughout the Union, and produce the consummation of a universal suspension. The following is that conclusion:

> "Whigs of New York! Patriotic citizens of this great metropolis! – Lovers of constitutional liberty, bound by interest and affection to the institutions of your country, Americans in heart and in principle! You are ready, I am sure, to fulfil all the duties imposed upon you by your situation, and demanded of you by your country. You have a central position; your city is the point from which intelligence emanates, and spreads in all directions over the whole land. Every hour carries reports of your sentiments and opinions to the verge of the Union. You cannot escape the responsibility which circumstances have thrown upon you. You must live and act on a broad and conspicuous theatre either for good or for evil, to your country. You cannot shrink away from public duties; you cannot obscure yourselves, nor bury your talent. In the common welfare, in the common prosperity, in the common glory of Americans, you have a stake, of value not to be calculated. You have an interest in the preservation of the Union, of the constitution, and of the true principles of the government, which no man can estimate. You act for yourselves, and for the generations that are to come after you; and those who, ages hence, shall bear your names, and partake your blood, will feel in their political and social condition, the consequences of the manner in which you discharge your political duties."

The appeal for action in this paragraph is vehement. It takes every form of violent desire which is known to the art of entreaty. Supplication, solicitation, remonstrance, importunity, prayer, menace! until rising to the dignity of a debt due from a moneyed metropolis to an expectant community, he demanded payment as matter of right! and enforced the demand as an obligation of necessity, as well as of duty, and from which such a community could not escape, if it would. The nature of the action which was so vehemently desired, could not be mistaken. I hold it a fair interpretation of this appeal that it was an exhortation to the business population of the commercial metropolis of the Union to take the initiative in suspending specie payments, and a justificatory manifesto for doing so; and that the speech itself was the first step in the grand performance: and so it seemed to be understood. It was received with unbounded applause, lauded to the skies, cheered to the echo, carefully and elaborately prepared for publication, – published and republished in newspaper and pamphlet form; and universally circulated. This was in the first month of Mr. Van Buren's presidency, and it will be seen what the second one brought forth.

The specie circular – that treasury order of President Jackson, which saved the public lands from being converted into broken bank paper – was the subject of repeated denunciatory reference – very erroneous, as the event has proved, in its estimate of the measure; but quite correct in its history, and amusing in its reference to some of the friends of the administration who undertook to act a part for and against the rescission of the order at the same time.

> "Mr. Webster then came to the treasury circular, and related the history of the late legislation upon it. 'A member of Congress,' said he, 'prepared this very treasury order in 1836, but the only vote he got for it was his own – he stood 'solitary' and 'alone' (a laugh); and yet eleven days after Congress had adjourned – only six months after the President in his annual message had congratulated the people upon the prosperous sales of the public lands, – this order came out in known and direct opposition to the wishes of nine-tenths of the members of Congress.'"

This is good history from a close witness of what he relates. The member referred to as having prepared the treasury order, and offered it in the shape of a bill in the Senate, and getting no vote for it but his own, – who stood solitary and alone on that occasion, as well as on some others – was no other than the writer of this View; and he has lived to see about as much unanimity in favor of that measure since as there was against it then. Nine-tenths of the members of Congress were then against it, but from very different motives – some because they were deeply engaged in

land speculations, and borrowed paper from the banks for the purpose; some because they were in the interest of the banks, and wished to give their paper credit and circulation; others because they were sincere believers in the paper system; others because they were opposed to the President, and believed him to be in favor of the measure; others again from mere timidity of temperament, and constitutional inability to act strongly. And these various descriptions embraced friends as well as foes to the administration. Mr. Webster says the order was issued eleven days after that Congress adjourned which had so unanimously rejected it. That is true. We only waited for Congress to be gone to issue the order. Mr. Benton was in the room of the private secretary (Mr. Donelson), hard by the council chamber, while the cabinet sat in council upon this measure. They were mostly against it. General Jackson ordered it, and directed the private Secretary to bring him a draft of the order to be issued. He came to Mr. Benton to draw it – who did so: and being altered a little, it was given to the Secretary of the Treasury to be promulgated. Then Mr. Benton asked for his draft, that he might destroy it. The private secretary said no – that the time might come when it should be known who was at the bottom of that Treasury order: and that he would keep it. It was issued on the strong will and clear head of President Jackson, and saved many ten millions to the public treasury. Bales of bank notes were on the road to be converted into public lands which this order overtook, and sent back, to depreciate in the vaults of the banks instead of the coffers of the treasury. To repeal the order by law was the effort as soon as Congress met, and direct legislation to that effect was proposed by Mr. Ewing, of Ohio, but superseded by a circumlocutory bill from Mr. Walker and Mr. Rives, which the President treated as a nullity for want of intelligibility: and of which Mr. Webster gave this account:

> "If he himself had had power, he would have voted for Mr. Ewing's proposition to repeal the order, in terms which Mr. Butler and the late President could not have misunderstood; but power was so strong, and members of Congress had now become so delicate about giving offence to it, that it would not do, for the world, to repeal the obnoxious circular, plainly and forthwith; but the ingenuity of the friends of the administration must dodge around it, and over it – and now Mr. Butler had the unkindness to tell them that their views neither he, lawyer as he is, nor the President, could possibly understand (a laugh), and that, as it could not be understood, the President had pocketed it – and left it upon the archives of state, no doubt to be studied there. Mr. W. would call attention to the remarkable fact, that though the Senate acted upon this currency bill in season, yet it was put off, and put off – so that, by no action upon it before the ten days allowed the President by the constitution, the power over it was completely in his will, even though the whole nation and every member of Congress wished for its repeal. Mr. W., however, believed that such was the pressure of public opinion upon the new President, that it must soon be repealed."

This amphibology of the bill, and delay in passing it, and this dodging around and over, was occasioned by what Mr. Webster calls the delicacy of some members who had the difficult part to play, of going with the enemies of the administration without going against the administration. A chapter in the first volume of this View gives the history of this work; and the last sentence in the passage quoted from Mr. Webster's speech gives the key to the views in which the speech originated, and to the proceedings by which it was accompanied and followed. "*It is believed that such is the pressure of public opinion upon the new President that it must soon be repealed.*"

In another part of his speech, Mr. Webster shows that the repealing bill was put by the whigs into the hands of certain friends of the administration, to be by them seasoned into a palatable dish; and that they gained no favor with the "bold man" who despised flinching, and loved decision, even in a foe. Thus:

> "At the commencement of the last session, as you know, gentlemen, a resolution was brought forward in the Senate for annulling and abrogating this order, by Mr. Ewing, a gentleman of much intelligence, of sound principles, of vigorous and energetic character, whose loss from the service of the country, I regard as a public misfortune. The whig members all supported this resolution, and all the members, I believe, with the exception of some five or six, were very anxious, in some way, to get rid of the treasury order. But Mr. Ewing's resolution was too direct. It was deemed a pointed and ungracious attack on executive policy. Therefore, it must be softened, modified, qualified, made to sound less harsh to the ears of men in power, and to assume a plausible, polished, inoffensive character. It was accordingly put into the plastic hands of the friends of the executive, to be moulded and fashioned, so that it might have the effect of ridding the country of the obnoxious order, and yet not appear to question executive infallibility. All this did not answer. The late President is not a man to be satisfied with soft words; and he saw in the measure, even as it passed the two houses, a substantial repeal of the order. He is a man of boldness and decision; and he respects boldness and decision in others. If you are his friend, he expects no flinching; and if you are his adversary, he respects you none the less, for carrying your opposition to the full limits of honorable warfare."

Mr. Webster must have been greatly dissatisfied with his democratic allies, when he could thus, in a public speech, before such an audience, and within one short month after they had been co-operating with him, hold them up as equally unmeritable in the eyes of both parties.

History deems it essential to present this New York speech of Mr. Webster as part of a great movement, without a knowledge of which the view would be imperfect. It was the first formal public step which was to inaugurate the new distress, and organize the proceedings for shutting up the banks, and with them, the federal treasury, with a view to coerce the government into submission to the Bank of the United States and its confederate politicians. Mr. Van Buren was a man of great suavity and gentleness of deportment, and, to those who associated the idea of violence with firmness, might be supposed deficient in that quality. An experiment upon his nerves was resolved on – a pressure of public opinion, in the language of Mr. Webster, under which his gentle temperament was expected to yield.

CHAPTER IV.
PROGRESS OF THE DISTRESS, AND PRELIMINARIES FOR THE SUSPENSION

The speech of Mr. Webster – his appeal for action – was soon followed by its appointed consequence – an immense meeting in the city of New York. The speech did not produce the meeting, any more than the meeting produced the speech. Both were in the programme, and performed as prescribed, in their respective places – the speech first, the meeting afterwards; and the latter justified by the former. It was an immense assemblage, composed of the elite of what was foremost in the city for property, talent, respectability; and took for its business the consideration of the times: the distress of the times, and the nature of the remedy. The imposing form of a meeting, solemn as well as numerous and respectable, was gone through: speeches made, resolutions adopted: order and emphasis given to the proceedings. A president, ten vice-presidents, two secretaries, seven orators (Mr. Webster not among them: he had performed his part, and made his exit), officiated in the ceremonies; and thousands of citizens constituted the accumulated mass. The spirit and proceedings of the meeting were concentrated in a series of resolves, each stronger than the other, and each more welcome than the former; and all progressive, from facts and principles declared, to duties and performances recommended. The first resolve declared the existence of the distress, and made the picture gloomy enough. It was in these words:

> "Whereas, the great commercial interests of our city have nearly reached a point of general ruin – our merchants driven from a state of prosperity to that of unprecedented difficulty and bankruptcy – the business, activity and energy, which have heretofore made us the polar star of the new world, is daily sinking, and taking from us the fruits of years of industry – reducing the aged among us, who but yesterday were sufficiently in affluence, to a state of comparative want; and blighting the prospects, and blasting the hopes of the young throughout our once prosperous land: we deem it our duty to express to the country our situation and desires, while yet there is time to retrace error, and secure those rights and perpetuate those principles which were bequeathed us by our fathers, and which we are bound to make every honorable effort to maintain."

After the fact of the distress, thus established by a resolve, came the cause; and this was the condensation of Mr. Webster's speech, collecting into a point what had been oratorically diffused over a wide surface. What was itself a condensation cannot be farther abridged, and must be given in its own words:

> "That the wide-spread disaster which has overtaken the commercial interests of the country, and which threatens to produce general bankruptcy, may be in a great measure ascribed to the interference of the general government with the commercial and business operations of the country; its intermeddling with the currency; its destruction of the national bank; its attempt to substitute a metallic for a credit currency; and, finally, to the issuing by the President of the United States of the treasury order, known as the 'specie circular.'"

The next resolve foreshadowed the consequences which follow from governmental perseverance in such calamitous measures – general bankruptcy to the dealing classes, starvation to the laboring classes, public convulsions, and danger to our political institutions; with an admonition to the new President of what might happen to himself, if he persevered in the "*experiments*" of a predecessor

whose tyranny and oppression had made him the scourge of his country. But let the resolve speak for itself:

> "That while we would do nothing which might for a moment compromit our respect for the laws, we feel it incumbent upon us to remind the executive of the nation, that the government of the country, as of late administered, has become the oppressor of the people, instead of affording them protection – that his perseverance in the experiment of his predecessor (after the public voice, in every way in which that voice could be expressed, has clearly denounced it as ruinous to the best interests of the country) has already caused the ruin of thousands of merchants, thrown tens of thousands of mechanics and laborers out of employment, depreciated the value of our great staple millions of dollars, destroyed the internal exchanges, and prostrated the energies and blighted the prospects of the industrious and enterprising portion of our people; and must, if persevered in, not only produce *starvation* among the laboring classes, but inevitably lead to disturbances which may endanger the stability of our institutions themselves."

This word "*experiment*" had become a staple phrase in all the distress oratory and literature of the day, sometimes heightened by the prefix of "*quack*," and was applied to all the efforts of the administration to return the federal government to the hard money currency, which was the currency of the constitution and the currency of all countries; and which efforts were now treated as novelties and dangerous innovations. Universal was the use of the phrase by one of the political parties some twenty years ago: dead silent are their tongues upon it now! Twenty years of successful working of the government under the hard money system has put an end to the repetition of a phrase which has suffered the fate of all catch-words of party, and became more distasteful to its old employers than it ever was to their adversaries. It has not been heard since the federal government got divorced from bank and paper money! since gold and silver has become the sole currency of the federal government! since, in fact, the memorable epoch when the Bank of the United States (former sovereign remedy for all the ills the body politic was heir to) has become a defunct authority, and an "obsolete idea."

The next resolve proposed a direct movement upon the President – nothing less than a committee of fifty to wait upon him, and "*remonstrate*" with him upon what was called the ruinous measures of the government.

> "That a committee of not less than fifty be appointed to repair to Washington, and remonstrate with the Executive against the continuance of "the specie circular;" and in behalf of this meeting and in the name of the merchants of New York, and the people of the United States, urge its immediate repeal."

This formidable committee, limited to a minimum of fifty, open to a maximum of any amount, besides this "*remonstrance*" against the specie circular, were also instructed to petition the President to forbear the collection of merchants' bonds by suit; and also to call an extra session of Congress. The first of these measures was to stop the collection of the accruing revenues: the second, to obtain from Congress that submission to the bank power which could not be obtained from the President. Formidable as were the arrangements for acting on the President, provision was discreetly made for a possible failure, and for the prosecution of other measures. With this view, the committee of fifty, after their return from Washington, were directed to call another general meeting of the citizens of New York, and to report to them the results of their mission. A concluding resolution invited the co-operation of the other great cities in these proceedings, and seemed to look to an imposing demonstration of physical force, and strong determination, as a means of acting on the mind, or will of the President; and thus controlling the free action of the constitutional authorities. This resolve was specially addressed to the merchants of Philadelphia, Boston and Baltimore, and generally addressed

to all other commercial cities, and earnestly prayed their assistance in saving the whole country from ruin.

> "That merchants of Philadelphia, Boston, Baltimore, and the commercial cities of the Union, be respectfully requested to unite with us in our remonstrance and petition, and to use their exertions, in connection with us, to induce the Executive of the nation to listen to the voice of the people, and to recede from a measure under the evils of which we are now laboring, and which threatens to involve the whole country in ruin."

The language and import of all these resolves and proceedings were sufficiently strong, and indicated a feeling but little short of violence towards the government; but, according to the newspapers of the city, they were subdued and moderate – tame and spiritless, in comparison to the feeling which animated the great meeting. A leading paper thus characterized that feeling:

> "The meeting was a remarkable one for the vast numbers assembled – the entire decorum of the proceedings – and especially for the deep, though subdued and restrained, excitement which evidently pervaded the mighty mass. It was a spectacle that could not be looked upon without emotion, – that of many thousand men trembling, as it were, on the brink of ruin, owing to the measures, as they verily believe, of their own government, which should be their friend, instead of their oppressor – and yet meeting with deliberation and calmness, listening to a narrative of their wrongs, and the causes thereof, adopting such resolutions as were deemed judicious; and then quietly separating, to abide the result of their firm but respectful remonstrances. But it is proper and fit to say that this moderation must not be mistaken for pusillanimity, nor be trifled with, as though it could not by any aggravation of wrong be moved from its propriety. No man accustomed, from the expression of the countenance, to translate the emotions of the heart, could have looked upon the faces and the bearing of the multitude assembled last evening, and not have felt that there were fires smouldering there, which a single spark might cause to burst into flame."

Smouldering fires which a single spark might light into a flame! Possibly that spark might have been the opposing voice of some citizen, who thought the meeting mistaken, both in the fact of the ruin of the country and the attribution of that ruin to the specie circular. No such voice was lifted – no such spark applied, and the proposition to march 10,000 men to Washington to demand a redress of grievances was not sanctioned. The committee of fifty was deemed sufficient, as they certainly were, for every purpose of peaceful communication. They were eminently respectable citizens, any two, or any one of which, or even a mail transmission of their petition, would have commanded for it a most respectful attention. The grand committee arrived at Washington – asked an audience of the President – received it; but with the precaution (to avoid mistakes) that written communications should alone be used. The committee therefore presented their demands in writing, and a paragraph from it will show the degree to which the feeling of the city had allowed itself to be worked up.

> "We do not tell a fictitious tale of woe; we have no selfish or partisan views to sustain, when we assure you that the noble city which we represent, lies prostrate in despair, its credit blighted, its industry paralyzed, and without a hope beaming through the darkness of the future, unless the government of our country can be induced to relinquish the measures to which we attribute our distress. We fully appreciate the respect which is due to our chief magistrate, and disclaim every intention inconsistent with that feeling; but we speak in behalf of a community which trembles upon the brink of ruin, which deems itself an adequate judge of all

> questions connected with the trade and currency of the country, and believes that the policy adopted by the recent administration and sustained by the present, is founded in error, and threatens the destruction of every department of industry. Under a deep impression of the propriety of confining our declarations within moderate limits, we affirm that the value of our real estate has, within the last six months, depreciated more than forty millions: that within the last two months, there have been more than two hundred and fifty failures of houses engaged in extensive business: that within the same period, a decline of twenty millions of dollars has occurred in our local stocks, including those railroad and canal incorporations, which, though chartered in other States, depend chiefly upon New York for their sale: that the immense amount of merchandise in our warehouses has within the same period fallen in value at least thirty per cent.; that within a few weeks, not less than twenty thousand individuals, depending on their daily labor for their daily bread, have been discharged by their employers, because the means of retaining them were exhausted – and that a complete blight has fallen upon a community heretofore so active, enterprising and prosperous. The error of our rulers has produced a wider desolation than the pestilence which depopulated our streets, or the conflagration, which laid them in ashes. We believe that it is unjust to attribute these evils to any excessive development of mercantile enterprise, and that they really flow from that unwise system which aimed at the substitution of a metallic for a paper currency – the system which gave the first shock to the fabric of our commercial prosperity by removing the public deposits from the United States bank, which weakened every part of the edifice by the destruction of that useful and efficient institution, and now threatens to crumble it into a mass of ruins under the operations of the specie circular, which withdrew the gold and silver of the country from the channels in which it could be profitably employed. We assert that the experiment has had a fair – a liberal trial, and that disappointment and mischief are visible in all its results – that the promise of a regulated currency and equalized exchanges has been broken, the currency totally disordered, and internal exchanges almost entirely discontinued. We, therefore, make our earnest appeal to the Executive, and ask whether it is not time to interpose the paternal authority of the government, and abandon the policy which is beggaring the people."

The address was read to the President. He heard it with entire composure – made no sort of remark upon it – treated the gentlemen with exquisite politeness – and promised them a written answer the next day. This was the third of May: on the fourth the answer was delivered. It was an answer worthy of a President – a calm, quiet, decent, peremptory refusal to comply with a single one of their demands! with a brief reason, avoiding all controversy, and foreclosing all further application, by a clean refusal in each case. The committee had nothing to do but to return, and report: and they did so. There had been a mistake committed in the estimate of the man. Mr. Van Buren vindicated equally the rights of the chief magistrate, and his own personal decorum; and left the committee without any thing to complain of, although unsuccessful in all their objects. He also had another opportunity of vindicating his personal and official decorum in another visit which he received about the same time. Mr. Biddle called to see the President – apparently a call of respect on the chief magistrate – about the same time, but evidently with the design to be consulted, and to appear as the great restorer of the currency. Mr. Van Buren received the visit according to its apparent intent, with entire civility, and without a word on public affairs. Believing Mr. Biddle to be at the bottom of the suspension, he could not treat him with the confidence and respect which a consultation would imply. He (Mr. Biddle) felt the slight, and caused this notice to be put in the papers:

> "Being on other business at Washington, Mr. Biddle took occasion to call on the President of the United States, to pay his respects to him in that character, and especially, to afford the President an opportunity, if he chose to embrace it, to speak of the present state of things, and to confer, if he saw fit, with the head of the largest banking institution in the country – and that the institution in which such general application has been made for relief. During the interview, however, the President remained profoundly silent upon the great and interesting topics of the day; and as Mr. Biddle did not think it his business to introduce them, not a word in relation to them was said."

Returning to New York, the committee convoked another general meeting of the citizens, as required to do at the time of their appointment; and made their report to it, recommending further forbearance, and further reliance on the ballot box, although (as they said) history recorded many popular insurrections where the provocation was less. A passage from this report will show its spirit, and to what excess a community may be excited about nothing, by the mutual inflammation of each other's passions and complaints, combined with a power to act upon the business and interests of the people.

> "From this correspondence it is obvious, fellow-citizens, that we must abandon all hope that either the justice of our claims or the severity of our sufferings will induce the Executive to abandon or relax the policy which has produced such desolating effects – and it remains for us to consider what more is to be done in this awful crisis of our affairs. Our first duty under losses and distresses which we have endured, is to cherish with religious care the blessings which we yet enjoy, and which can be protected only by a strict observance of the laws upon which society depends for security and happiness. We do not disguise our opinion that the pages of history record, and the opinions of mankind justify, numerous instances of popular insurrection, the provocation to which was less severe than the evils of which we complain. But in these cases, the outraged and oppressed had no other means of redress. Our case is different. If we can succeed in an effort to bring public opinion into sympathy with the views which we entertain, the Executive will abandon the policy which oppresses, instead of protecting the people. Do not despair because the time at which the ballot box can exercise its healing influence appears so remote – the sagacity of the practical politician will perceive the change in public sentiment before you are aware of its approach. But the effort to produce this change must be vigorous and untiring."

The meeting adopted corresponding resolutions. Despairing of acting on the President, the move was to act upon the people – to rouse and combine them against an administration which was destroying their industry, and to remove from power (at the elections) those who were destroying the industry of the country. Thus:

> "*Resolved*, That the interests of the capitalists, merchants, manufacturers, mechanics and industrious classes, are dependent upon each other, and any measures of the government which prostrate the active business men of the community, will also deprive honest industry of its reward; and we call upon all our fellow-citizens to unite with us in removing from power those who persist in a system that is destroying the prosperity of our country."

Another resolve summed up the list of grievances of which they complained, and enumerated the causes of the pervading ruin which had been brought upon the country. Thus:

> "*Resolved*, That the chief causes of the existing distress are the defeat of Mr. Clay's land bill, the removal of the public deposits, the refusal to re-charter the Bank of the United States, and the issuing of the specie circular. The land bill was passed by the people's representatives, and vetoed by the President – the bill rechartering the bank was passed by the people's representatives, and vetoed by the President. The people's representatives declared by a solemn resolution, that the public deposits were safe in the United States Bank; within a few weeks thereafter, the President removed the public deposits. The people's representatives passed a bill rescinding the specie circular: the President destroyed it by omitting to return it within the limited period; and in the answer to our addresses, President Van Buren declares that the specie circular was issued by his predecessor, omitting all notice of the Secretary of the Treasury, who is amenable directly to Congress, and charged by the act creating his department with the superintendence of the finances, and who signed the order."

These two resolves deserve to be noted. They were not empty or impotent menace. They were for action, and became what they were intended for. The moneyed corporations, united with a political party, were in the field as a political power, to govern the elections, and to govern them, by the only means known to a moneyed power – by operating on the interests of men, seducing some, alarming and distressing the masses. They are the key to the manner of conducting the presidential election, and which will be spoken of in the proper place. The union of Church and State has been generally condemned: the union of Bank and State is far more condemnable. Here the union was not with the State, but with a political party, nearly as strong as the party in possession of the government, and exemplified the evils of the meretricious connection between money and politics; and nothing but this union could have produced the state of things which so long afflicted the country, and from which it has been relieved, not by the cessation of their imputed causes, but by their perpetuation. It is now near twenty years since this great meeting was held in New York. The ruinous measures complained of have not been revoked, but become permanent. They have been in full force, and made stronger, for near twenty years. The universal and black destruction which was to ensue their briefest continuance, has been substituted by the most solid, brilliant, pervading, and abiding prosperity that any people ever beheld. Thanks to the divorce of Bank and State. But the consummation was not yet. Strong in her name, and old recollections, and in her political connections – dominant over other banks – bribing with one hand, scourging with the other – a long retinue of debtors and retainers – desperate in her condition – impotent for good, powerful for evil – confederated with restless politicians, and wickedly, corruptly, and revengefully ruled: the Great Red Harlot, profaning the name of a National Bank, was still to continue a while longer its career of abominations – maintaining dubious contest with the government which created it, upon whose name and revenues it had gained the wealth and power of which it was still the shade, and whose destruction it plotted because it could not rule it. Posterity should know these things, that by avoiding bank connections, their governments may avoid the evils that we have suffered; and, by seeing the excitements of 1837, they may save themselves from ever becoming the victims of such delusion.

CHAPTER V.
ACTUAL SUSPENSION OF THE BANKS: PROPAGATION OF THE ALARM

None of the public meetings, and there were many following the leading one in New York, recommended in terms a suspension of specie payments by the banks. All avoided, by concert or instinct, the naming of that high measure; but it was in the list, and at the head of the list, of the measures to be adopted; and every thing said or done was with a view to that crowning event; and to prepare the way for it before it came; and to plead its subsequent justification by showing its previous necessity. It was in the programme, and bound to come in its appointed time; and did – and that within a few days after the last great meeting in New York. It took place quietly and generally, on the morning of the 10th of May, altogether, and with a concert and punctuality of action, and with a military and police preparation, which announced arrangement and determination; such as attend revolts and insurrections in other countries. The preceding night all the banks of the city, three excepted, met by their officers, and adopted resolutions to close their doors in the morning: and gave out notice to that effect. At the same time three regiments of volunteers, and a squadron of horse, were placed on duty in the principal parts of the city; and the entire police force, largely reinforced with special constables, was on foot. This was to suppress the discontent of those who might be too much dissatisfied at being repulsed when they came to ask for the amount of a deposit, or the contents of a bank note. It was a humiliating spectacle, but an effectual precaution. The people remained quiet. At twelve o'clock a large mercantile meeting took place. Resolutions were adopted by it to sustain the suspension, and the newspaper press was profuse and energetic in its support. The measure was consummated: the suspension was complete: it was triumphant in that city whose example, in such a case, was law to the rest of the Union. But, let due discrimination be made. Though all the banks joined in the act, all were not equally culpable; and some, in fact, not culpable at all, but victims of the criminality, or misfortunes of others. It was the effect of necessity with the deposit banks, exhausted by vain efforts to meet the quarterly deliveries of the forty millions to be deposited with the States; and pressed on all sides because they were government banks, and because the programme required them to stop first. It was an act of self-defence in others which were too weak to stand alone, and which followed with reluctance an example which they could not resist. With others it was an act of policy, and of criminal contrivance, as the means of carrying a real distress into the ranks of the people, and exciting them against the political party to whose acts the distress was attributed. But the prime mover, and master manager of the suspension, was the Bank of the United States, then rotten to the core and tottering to its fall, but strong enough to carry others with it, and seeking to hide its own downfall in the crash of a general catastrophe. Having contrived the suspension, it wished to appear as opposing it, and as having been dragged down by others; and accordingly took the attitude of a victim. But the impudence and emptiness of that pretension was soon exposed by the difficulty which other banks had in forcing her to resume; and by the facility with which she fell back, "solitary and alone," into the state of permanent insolvency from which the other banks had momentarily galvanized her. But the occasion was too good to be lost for one of those complacent epistles, models of quiet impudence and cool mendacity, with which Mr. Biddle was accustomed to regale the public in seasons of moneyed distress. It was impossible to forego such an opportunity; and, accordingly, three days after the New York suspension, and two days after his own, he held forth in a strain of which the following is a sample:

> "All the deposit banks of the government of the United States in the city of New York suspended specie payments this week – the deposit banks elsewhere

> have followed their example; which was of course adopted by the State banks not connected with the government. I say of course, because it is certain that when the government banks cease to pay specie, all the other banks must cease, and for this clear reason. The great creditor in the United States is the government. It receives for duties the notes of the various banks, which are placed for collection in certain government banks, and are paid to those government banks in specie if requested. From the moment that the deposit banks of New York, failed to comply with their engagements, it was manifest that all the other deposit banks must do the same, that there must be a universal suspension throughout the country, and that the treasury itself in the midst of its nominal abundance must be practically bankrupt."

This was all true. The stoppage of the deposit banks was the stoppage of the Treasury. Non-payment by the government, was an excuse for non-payment by others. Bankruptcy was the legal condition of non-payment; and that condition was the fate of the government as well as of others; and all this was perfectly known before by those who contrived, and those who resisted the deposit with the States and the use of paper money by the federal government. These two measures made the suspension and the bankruptcy; and all this was so obvious to the writer of this View that he proclaimed it incessantly in his speeches, and was amazed at the conduct of those professing friends of the administration who voted with the opposition on these measures, and by their votes insured the bankruptcy of the government which they professed to support. Mr. Biddle was right. The deposit banks were gone; the federal treasury was bankrupt; and those two events were two steps on the road which was to lead to the re-establishment of the Bank of the United States! and Mr. Biddle stood ready with his bank to travel that road. The next paragraph displayed this readiness.

> "In the midst of these disorders the Bank of the United States occupies a peculiar position, and has special duties. Had it consulted merely its own strength it would have continued its payments without reserve. But in such a state of things the first consideration is how to escape from it – how to provide at the earliest practicable moment to change a condition which should not be tolerated beyond the necessity which commanded it. The old associations, the extensive connections, the established credit, the large capital of the Bank of the United States, rendered it the natural rallying point of the country for the resumption of specie payments. It seemed wiser, therefore, not to waste its strength in a struggle which might be doubtful while the Executive persevered in its present policy, but to husband all its resources so as to profit by the first favorable moment to take the lead in the early resumption of specie payments. Accordingly the Bank of the United States assumes that position. From this moment its efforts will be to keep itself strong, and to make itself stronger; always prepared and always anxious to assist in recalling the currency and the exchanges of the country to the point from which they have fallen. It will co-operate cordially and zealously with the government, with the government banks, with all the other banks, and with any other influences which can aid in that object."

This was a bold face for an eviscerated institution to assume – one which was then nothing but the empty skin of an immolated victim – the contriver of the suspension to cover its own rottenness, and the architect of distress and ruin that out of the public calamity it might get again into existence and replenish its coffers out of the revenues and credit of the federal government. "Would have continued specie payments, if it had only consulted its own strength" – "only suspended from a sense of duty and patriotism" – "will take the lead in resuming" – "assumes the position of restorer of the currency" – "presents itself as the rallying point of the country in the resumption of specie payments" – "even promises to co-operate with the government: " such were the impudent professions at the very moment that this restorer of currency, and rallying point of resumption, was plotting a continuance of

the distress and suspension until it could get hold of the federal moneys to recover upon; and without which it never could recover.

Indissolubly connected with this bank suspension, and throwing a broad light upon its history, (if further light were wanted,) was Mr. Webster's tour to the West, and the speeches which he made in the course of it. The tour extended to the Valley of the Mississippi, and the speeches took for their burden the distress and the suspension, excusing and justifying the banks, throwing all blame upon the government, and looking to the Bank of the United States for the sole remedy. It was at Wheeling that he opened the series of speeches which he delivered in his tour, it being at that place that he was overtaken by the news of the suspension, and which furnished him with the text for his discourse.

> "Recent evils have not at all surprised me, except that they have come sooner and faster than I had anticipated. But, though not surprised, I am afflicted; I feel any thing but pleasure in this early fulfilment of my own predictions. Much injury is done which the wisest future counsels can never repair, and much more that can never be remedied but by such counsels and by the lapse of time. From 1832 to the present moment I have foreseen this result. I may safely say I have foreseen it, because I have presented and proclaimed its approach in every important discussion and debate, in the public body of which I am a member. We learn to-day that most of the eastern banks have stopped payment; deposit banks as well as others. The experiment has exploded. That bubble, which so many of us have all along regarded as the offspring of conceit, presumption and political quackery, has burst. A general suspension of payment must be the result; a result which has come, even sooner than was predicted. Where is now that better currency that was promised? Where is that specie circulation? Where are those rupees of gold and silver, which were to fill the treasury of the government as well as the pockets of the people? Has the government a single hard dollar? Has the treasury any thing in the world but credit and deposits in banks that have already suspended payment? How are public creditors now to be paid in specie? How are the deposits, which the law requires to be made with the states on the 1st of July, now to be made."

This was the first speech that Mr. Webster delivered after the great one before the suspension in New York, and may be considered the epilogue after the performance as the former was the prologue before it. It is a speech of exultation, with bitter taunts to the government. In one respect his information was different from mine. He said the suspension came sooner than was expected: my information was that it came later, a month later; and that he himself was the cause of the delay. My information was that it was to take place in the first month of Mr. Van Buren's administration, and that the speech which was to precede it was to be delivered early in March, immediately after the adjournment of Congress: but it was not delivered till the middle of that month, nor got ready for *pamphlet* publication until the middle of April; which delay occasioned a corresponding postponement in all the subsequent proceedings. The complete shutting up of the treasury – the loss of its moneys – the substitution of broken bank paper for hard money – the impossibility of paying a dollar to a creditor: these were the points of his complacent declamation: and having made these points strong enough and clear enough, he came to the remedy, and fell upon the same one, in almost the same words, that Mr. Biddle was using at the same time, four hundred miles distant, in Philadelphia: and that without the aid of the electric telegraph, not then in use. The recourse to the Bank of the United States was that remedy! that bank strong enough to hold out, (unhappily the news of its suspending arrived while he was speaking:) patriotic enough to do so! but under no obligation to do better than the deposit banks! and justifiable in following their example. Hear him:

> "The United States Bank, now a mere state institution, with no public deposits, no aid from government, but, on the contrary, long an object of bitter persecution

> by it, was at our latest advices still firm. But can we expect of that Bank to make sacrifices to continue specie payment? If it continue to do so, now the deposit banks have stopped, the government will draw from it its last dollar, if it can do so, in order to keep up a pretence of making its own payments in specie. I shall be glad if this institution find it prudent and proper to hold out; but as it owes no more duty to the government than any other bank, and, of course, much less than the deposit banks, I cannot see any ground for demanding from it efforts and sacrifices to favor the government, which those holding the public money, and owing duty to the government, are unwilling or unable to make; nor do I see how the New England banks can stand alone in the general crush."

The suspension was now complete; and it was evident, and as good as admitted by those who had made it, that it was the effect of contrivance on the part of politicians, and the so-called Bank of the United States, for the purpose of restoring themselves to power. The whole process was now clear to the vision of those who could see nothing while it was going on. Even those of the democratic party whose votes had helped to do the mischief, could now see that the attempt to deposit forty millions with the States was destruction to the deposit banks; – that the repeal of the specie circular was to fill the treasury with paper money, to be found useless when wanted; – that distress was purposely created in order to throw the blame of it upon the party in power; – that the promptitude with which the Bank of the United States had been brought forward as a remedy for the distress, showed that it had been held in reserve for that purpose; – and the delight with which the whig party saluted the general calamity, showed that they considered it their own passport to power. All this became visible, after the mischief was over, to those who could see nothing of it before it was done.

CHAPTER VI.
TRANSMIGRATION OF THE BANK OF THE UNITED STATES FROM A FEDERAL TO A STATE INSTITUTION

This institution having again appeared on the public theatre, politically and financially, and with power to influence national legislation, and to control moneyed corporations, and with art and skill enough to deceive astute merchants and trained politicians, – (for it is not to be supposed that such men would have committed themselves in her favor if they had known her condition,) – it becomes necessary to trace her history since the expiration of her charter, and learn by what means she continued an existence, apparently without change, after having undergone the process which, in law and in reason, is the death of a corporation. It is a marvellous history, opening a new chapter in the necrology of corporations, very curious to study, and involving in its solution, besides the biological mystery, the exposure of a legal fraud and juggle, a legislative smuggle, and a corrupt enactment. The charter of the corporation had expired upon its own limitation in the year 1836: it was entitled to two years to wind up its affairs, engaging in no new business: but was seen to go on after the expiration, as if still in full life, and without the change of an attribute or feature. The explanation is this:

On the 19th day of January, in the year 1836, a bill was reported in the House of Representatives of the General Assembly of Pennsylvania, entitled, "*An act to repeal the State tax, and to continue the improvement of the State by railroads and canals; and for other purposes*." It came from the standing committee on "*Inland navigation and internal improvement*;" and was, in fact, a bill to repeal a tax and make roads and canals, but which, under the vague and usually unimportant generality of "*other purposes*," contained the entire draught of a charter for the Bank of the United States – adopting it as a Pennsylvania State bank. The introduction of the bill, with this addendum, colossal tail to it, was a surprise upon the House. No petition had asked for such a bank: no motion had been made in relation to it: no inquiry had been sent to any committee: no notice of any kind had heralded its approach: no resolve authorized its report: the unimportant clause of "*other purposes*," hung on at the end of the title, could excite no suspicion of the enormous measures which lurked under its unpretentious phraseology. Its advent was an apparition: its entrance an intrusion. Some members looked at each other in amazement. But it was soon evident that it was the minority only that was mystified – that a majority of the elected members in the House, and a cluster of exotics in the lobbies, perfectly understood the intrusive movement: – in brief, it had been smuggled into the House, and a power was present to protect it there. This was the first intimation that had reached the General Assembly, the people of Pennsylvania, or the people of the United States, that the Bank of the United States was transmigrating! changing itself from a national to a local institution – from a federal to a State charter – from an imperial to a provincial institution – retaining all the while its body and essence, its nature and attributes, its name and local habitation. It was a new species of metempsychosis, heretofore confined to souls separated from bodies, but now appearing in a body that never had a soul: for that, according to Sir Edward Coke, is the psychological condition of a corporation – and, above all, of a moneyed corporation.

The mystified members demanded explanations; and it was a case in which explanations could not be denied. Mr. Biddle, in a public letter to an eminent citizen, on whose name he had been accustomed to hang such productions, (Mr. John Quincy Adams,) attributed the procedure, so far as he had moved in it, to a "*formal application on the part of the legislature to know from him on what terms the expiring bank would receive a charter from it*;" and gave up the names of two members who had conveyed the application. The legislature had no knowledge of the proceeding. The two

members whose names had been vouched disavowed the legislative application, but admitted that, in compliance with suggestions, they had written a letter to Mr. Biddle in their own names, making the inquiry; but without the sanction of the legislature, or the knowledge of the committees of which they were members. They did not explain the reason which induced them to take the initiative in so important business; and the belief took root that their good nature had yielded to an importunity from an invisible source, and that they had consented to give a private and bungling commencement to what must have a beginning, and which could not find it in any open or parliamentary form. It was truly a case in which the first step cost the difficulty. How to begin was the puzzle, and so to begin as to conceal the beginning, was the desideratum. The finger of the bank must not be seen in it, yet, without the touch of that finger, the movement could not begin. Without something from the Bank – without some request or application from it, it would have been gratuitous and impertinent, and might have been insulting and offensive, to have offered it a State charter. To apply openly for a charter was to incur a publicity which would be the defeat of the whole movement. The answer of Mr. Biddle to the two members, dexterously treating their private letter, obtained by solicitation, as a formal legislative application, surmounted the difficulty! and got the Bank before the legislature, where there were friends enough secretly prepared for the purpose to pass it through. The terms had been arranged with Mr. Biddle beforehand, so that there was nothing to be done but to vote. The principal item in these terms was the stipulation to pay the State the sum of $1,300,000, to be expended in works of internal improvements; and it was upon this slender connection with the subject that the whole charter referred itself to the committee of "*Inland navigation and internal improvement*;" – to take its place as a proviso to a bill entitled, "*To repeal the State tax, and to continue the improvements of the State by railroads and canals*;" – and to be no further indicated in the title to that act than what could be found under the addendum of that vague and flexible generality, "*other purposes*;" usually added to point attention to something not worth a specification.

Having mastered the first step – the one of greatest difficulty, if there is truth in the proverb – the remainder of the proceeding was easy and rapid, the bill, with its proviso, being reported, read a first, second, and third time, passed the House – sent to the Senate; read a first, second, and third time there, and passed – sent to the Governor and approved, and made a law of the land: and all in as little time as it usually requires to make an act for changing the name of a man or a county. To add to its titles to infamy, the repeal of the State tax which it assumed to make, took the air of a bamboozle, the tax being a temporary imposition, and to expire within a few days upon its own limitation. The distribution of the bonus took the aspect of a bribe to the people, being piddled out in driblets to the inhabitants of the counties: and, to stain the bill with the last suspicion, a strong lobby force from Philadelphia hung over its progress, and cheered it along with the affection and solicitude of parents for their offspring. Every circumstance of its enactment announced corruption – bribery in the members who passed the act, and an attempt to bribe the people by distributing the bonus among them: and the outburst of indignation throughout the State was vehement and universal. People met in masses to condemn the act, demand its repeal, to denounce the members who voted for it, and to call for investigation into the manner in which it passed. Of course, the legislature which passed it was in no haste to respond to these demands; but their successors were different. An election intervened; great changes of members took place; two-thirds of the new legislature demanded investigation, and resolved to have it. A committee was appointed, with the usual ample powers, and sat the usual length of time, and worked with the usual indefatigability, and made the usual voluminous report; and with the usual "lame and impotent conclusion." A mass of pregnant circumstances were collected, covering the whole case with black suspicion: but direct bribery was proved upon no one. Probably, the case of the Yazoo fraud is to be the last, as it was the first, in which a succeeding general assembly has fully and unqualifiedly condemned its predecessor for corruption.

The charter thus obtained was accepted: and, without the change of form or substance in any particular, the old bank moved on as if nothing had happened – as if the Congress charter was still in

force – as if a corporate institution and all its affairs could be shifted by statute from one foundation to another; – as if a transmigration of corporate existence could be operated by legislative enactment, and the debtors, creditors, depositors, and stockholders in one bank changed, transformed, and constituted into debtors, creditors, depositors and stockholders in another. The illegality of the whole proceeding was as flagrant as it was corrupt – as scandalous as it was notorious – and could only find its motive in the consciousness of a condition in which detection adds infamy to ruin; and in which no infamy, to be incurred, can exceed that from which escape is sought. And yet it was this broken and rotten institution – this criminal committing crimes to escape from the detection of crimes – this "counterfeit presentment" of a defunct corporation – this addendum to a Pennsylvania railroad – this whited sepulchre filled with dead men's bones, thus bribed and smuggled through a local legislature – that was still able to set up for a power and a benefactor! still able to influence federal legislation – control other banks – deceive merchants and statesmen – excite a popular current in its favor – assume a guardianship over the public affairs, and actually dominate for months longer in the legislation and the business of the country. It is for the part she acted – the dominating part – in contriving the financial distress and the general suspension of the banks in 1837 – the last one which has afflicted our country, – that renders necessary and proper this notice of her corrupt transit through the General Assembly of the State of Pennsylvania.

CHAPTER VII.
EFFECTS OF THE SUSPENSION: GENERAL DERANGEMENT OF BUSINESS: SUPPRESSION AND RIDICULE OF THE SPECIE CURRENCY: SUBMISSION OF THE PEOPLE: CALL OF CONGRESS

A great disturbance of course took place in the business of the country, from the stoppage of the banks. Their agreement to receive each others' notes made these notes the sole currency of the country. It was a miserable substitute for gold and silver, falling far below these metals when measured against them, and very unequal to each other in different parts of the country. Those of the interior, and of the west, being unfit for payments in the great commercial Atlantic cities, were far below the standard of the notes of those cities, and suffered a heavy loss from difference of exchange, as it was called (although it was only the difference of depreciation,) in all remittances to those cities: – to which points the great payments tended. All this difference was considered a loss, and charged upon the mismanagement of the public affairs by the administration, although the clear effect of geographical position. Specie disappeared as a currency, being systematically suppressed. It became an article of merchandise, bought and sold like any other marketable commodity; and especially bought in quantities for exportation. Even metallic change disappeared, down to the lowest subdivision of the dollar. Its place was supplied by every conceivable variety of individual and corporation tickets – issued by some from a feeling of necessity; by others, as a means of small gains; by many, politically, as a means of exciting odium against the administration for having destroyed the currency. Fictitious and burlesque notes were issued with caricatures and grotesque pictures and devices, and reproachful sentences, entitled the "*better currency*:" and exhibited every where to excite contempt. They were sent in derision to all the friends of the specie circular, especially to him who had the credit (not untruly) of having been its prime mover – most of them plentifully sprinkled over with taunting expressions to give them a personal application: such as – "This is what you have brought the country to: " "the end of the experiment: " "the gold humbug exploded: " "is this what was promised us?" "behold the effects of tampering with the currency." The presidential mansion was infested, and almost polluted with these missives, usually made the cover of some vulgar taunt. Even gold and silver could not escape the attempted degradation – copper, brass, tin, iron pieces being struck in imitation of gold and silver coins – made ridiculous by figures and devices, usually the whole hog, and inscribed with taunting and reproachful expressions. Immense sums were expended in these derisory manufactures, extensively carried on, and universally distributed; and reduced to a system as a branch of party warfare, and intended to act on the thoughtless and ignorant through appeals to their eyes and passions. Nor were such means alone resorted to to inflame the multitude against the administration. The opposition press teemed with inflammatory publications. The President and his friends were held up as great state criminals, ruthlessly destroying the property of the people, and meriting punishment – even death. Nor did these publications appear in thoughtless or obscure papers only, but in some of the most weighty and influential of the bank party. Take, for example, this paragraph from a leading paper in the city of New York:

> "We would put it directly to each and all of our readers, whether it becomes this great people, quietly and tamely to submit to any and every degree of lawless oppression which their rulers may inflict, merely because *resistance* may involve us in trouble and expose those who resist, to censure? We are very certain their reply will be, '*No*, but at what point is "resistance to commence?" – is not the

> evil of resistance greater "than the evil of submission?"' We answer promptly, that resistance on the part of a free people, if they would preserve their freedom, should always commence whenever it is made plain and palpable that there has been a deliberate violation of their rights; and whatever temporary evils may result from such resistance, it can never be so great or so dangerous to our institutions, as a blind submission to a most manifest act of oppression and tyranny. And now, we would ask of all – what shadow of right, what plea of expediency, what constitutional or legal justification can Martin Van Buren offer to the people of the United States, for having brought upon them all their present difficulties by a continuance of the *specie circular*, after two-thirds of their representatives had declared their solemn convictions that it was injurious to the country and should be repealed? Most assuredly, none, and we unhesitatingly say, that it is a more high-handed measure of *tyranny* than that which cost *Charles* the 1st his crown and his head – more illegal and unconstitutional than the act of the British ministry which caused the patriots of the revolution to destroy the tea in the harbor of Boston – and one which calls more loudly for resistance than any act of Great Britain which led to the Declaration of Independence."

Taken by surprise in the deprivation of its revenues, – specie denied it by the banks which held its gold and silver, – the federal government could only do as others did, and pay out depreciated paper. Had the event been foreseen by the government, it might have been provided against, and much specie saved. It was now too late to enter into a contest with the banks, they in possession of the money, and the suspension organized and established. They would only render their own notes: the government could only pay in that which it received. Depreciated paper was their only medium of payment; and every such payment (only received from a feeling of duresse) brought resentment, reproach, indignation, loss of popularity to the administration; and loud calls for the re-establishment of the National Bank, whose notes had always been equal to specie, and were then contrived to be kept far above the level of those of other suspended banks. Thus the administration found itself, in the second month of its existence, struggling with that most critical of all government embarrassments – deranged finances, and depreciated currency; and its funds dropping off every day. Defections were incessant, and by masses, and sometimes by whole States: and all on account of these vile payments in depreciated paper. Take a single example. The State of Tennessee had sent numerous volunteers to the Florida Indian war. There were several thousands of them, and came from thirty different counties, requiring payments to be made through a large part of the State, and to some member of almost every family in it. The paymaster, Col. Adam Duncan Steuart, had treasury drafts on the Nashville deposit banks for the money to make the payments. They delivered their own notes, and these far below par – even twenty per cent. below those of the so-called Bank of the United States, which the policy of the suspension required to be kept in strong contrast with those of the government deposit banks. The loss on each payment was great – one dollar in every five. Even patriotism could not stand it. The deposit banks and their notes were execrated: the Bank of the United States and its notes were called for. It was the children of Israel wailing for the fleshpots of Egypt. Discontent, from individual became general, extending from persons to masses. The State took the infection. From being one of the firmest and foremost of the democratic States, Tennessee fell off from her party, and went into opposition. At the next election she showed a majority of 20,000 against her old friends; and that in the lifetime of General Jackson; and contrary to what it would have been if his foresight had been seconded. He foresaw the consequences of paying out this depreciated paper. The paymaster had foreseen them, and before drawing a dollar from the banks he went to General Jackson for his advice. This energetic man, then aged, and dying, and retired to his beloved hermitage, – but all head and nerve to the last, and scorning to see the government capitulate to insurgent banks, – acted up to his character. He advised the paymaster to proceed to Washington and ask for solid money – for

the gold and silver which was then lying in the western land offices. He went; but being a military subordinate, he only applied according to the rules of subordination, through the channels of official intercourse: and was denied the hard money, wanted for payments on debenture bonds and officers of the government. He did not go to Mr. Van Buren, as General Jackson intended he should do. He did not feel himself authorized to go beyond official routine. It was in the recess of Congress, and I was not in Washington to go to the President in his place (as I should instantly have done); and, returning without the desired orders, the payments were made, through a storm of imprecations, in this loathsome trash: and Tennessee was lost. And so it was, in more or less degree, throughout the Union. The first object of the suspension had been accomplished – a political revolt against the administration.

Miserable as was the currency which the government was obliged to use, it was yet in the still more miserable condition of not having enough of it! The deposits with the States had absorbed two sums of near ten millions each: two more sums of equal amount were demandable in the course of the year. Financial embarrassment, and general stagnation of business, diminished the current receipts from lands and customs: an absolute deficit – that horror, and shame, and mortal test of governments – showed itself ahead. An extraordinary session of Congress became a necessity, inexorable to any contrivance of the administration: and, on the 15th day of May – just five days after the suspension in the principal cities – the proclamation was issued for its assembling: to take place on the first Monday of the ensuing September. It was a mortifying concession to imperative circumstances; and the more so as it had just been refused to the grand committee of Fifty – demanding it in the imposing name of that great meeting in the city of New York.

CHAPTER VIII.
EXTRA SESSION: MESSAGE, AND RECOMMENDATIONS

The first session of the twenty-fifth Congress, convened upon the proclamation of the President, to meet an extraordinary occasion, met on the first Monday in September, and consisted of the following members:

SENATE

New Hampshire – Henry Hubbard and Franklin Pierce.
Maine – John Ruggles and Ruel Williams.
Vermont – Samuel Prentiss and Benjamin Swift.
Massachusetts – Daniel Webster and John Davis.
Rhode Island – Nehemiah R. Knight and Asher Robbins.
Connecticut – John M. Niles and Perry Smith.
New York – Silas Wright and Nathaniel P. Tallmadge.
New Jersey – Garret D. Wall and Samuel L. Southard.
Delaware – Richard H. Bayard and Thomas Clayton.
Pennsylvania – James Buchanan and Samuel McKean.
Maryland – Joseph Kent and John S. Spence.
Virginia – William C. Rives and William H. Roane.
North Carolina – Bedford Brown and Robert Strange.
South Carolina – John C. Calhoun and Wm. Campbell Preston.
Georgia – John P. King and Alfred Cuthbert.
Alabama – Wm. Rufus King and Clement C. Clay.
Mississippi – John Black and Robert J. Walker.
Louisiana – Robert C. Nicholas and Alexander Mouton.
Tennessee – Hugh L. White and Felix Grundy.
Kentucky – Henry Clay and John Crittenden.
Arkansas – Ambrose H. Sevier and William S. Fulton.
Missouri – Thomas H. Benton and Lewis F. Linn.
Illinois – Richard M. Young and John M. Robinson.
Indiana – Oliver H. Smith and John Tipton.
Ohio – William Allen and Thomas Morris.
Michigan – Lucius Lyon and John Norvell.

HOUSE OF REPRESENTATIVES

Maine – George Evans, John Fairfield, Timothy J. Carter, F. O. J. Smith, Thomas Davee, Jonathan Cilley, Joseph C. Noyes, Hugh J. Anderson.

New Hampshire – Samuel Cushman, James Farrington, Charles G. Atherton, Joseph Weeks, Jared W. Williams.

Massachusetts – Richard Fletcher, Stephen C. Phillips, Caleb Cushing, Wm. Parmenter, Levi Lincoln, George Grinnell, jr., George N. Briggs, Wm. B. Calhoun, Nathaniel B. Borden, John Q. Adams, John Reed, Abbott Lawrence, Wm. S. Hastings.

Rhode Island – Robert B. Cranston, Joseph L. Tillinghast.

Connecticut – Isaac Toucey, Samuel Ingham, Elisha Haley, Thomas T. Whittlesey, Launcelot Phelps, Orrin Holt.

Vermont – Hiland Hall, William Slade, Heman Allen, Isaac Fletcher, Horace Everett.

New York – Thomas B. Jackson, Abraham Vanderveer, C. C. Cambreleng, Ely Moore, Edward Curtis, Ogden Hoffman, Gouverneur Kemble, Obadiah Titus, Nathaniel Jones, John C. Broadhead, Zadoc Pratt, Robert McClelland, Henry Vail, Albert Gallup, John I. DeGraff, David Russell, John Palmer, James B. Spencer, John Edwards, Arphaxad Loomis, Henry A. Foster, Abraham P. Grant, Isaac H. Bronson, John H. Prentiss, Amasa J. Parker, John C. Clark, Andrew D. W. Bruyn, Hiram Gray, William Taylor, Bennett Bicknell, William H. Noble, Samuel Birdsall, Mark H. Sibley, John T. Andrews, Timothy Childs, William Patterson, Luther C. Peck, Richard P. Marvin, Millard Fillmore, Charles F. Mitchell.

New Jersey – John B. Aycrigg, John P. B. Maxwell, William Halstead, Jos. F. Randolph, Charles G. Stratton, Thomas Jones Yorke.

Pennsylvania – Lemuel Paynter, John Sergeant, George W. Toland, Charles Naylor, Edward Davies, David Potts, Edward Darlington, Jacob Fry, jr., Matthias Morris, David D. Wagener, Edward B. Hubley, Henry A. Muhlenberg, Luther Reilly, Henry Logan, Daniel Sheffer, Chas. McClure, Wm. W. Potter, David Petriken, Robert H. Hammond, Samuel W. Morris, Charles Ogle, John Klingensmith, Andrew Buchanan, T. M. T. McKennan, Richard Biddle, William Beatty, Thomas Henry, Arnold Plumer.

Delaware – John J. Milligan.

Maryland – John Dennis, James A. Pearce, J. T. H. Worthington, Benjamin C. Howard, Isaac McKim, William Cost Johnson, Francis Thomas, Daniel Jenifer.

Virginia – Henry A. Wise, Francis Mallory, John Robertson, Charles F. Mercer, John Taliaferro, R. T. M. Hunter, James Garland, Francis E. Rives, Walter Coles, George C. Dromgoole, James W. Bouldin, John M. Patton, James M. Mason, Isaac S. Pennybacker, Andrew Beirne, Archibald Stuart, John W. Jones, Robert Craig, Geo. W. Hopkins, Joseph Johnson, Wm. S. Morgan.

North Carolina – Jesse A. Bynum, Edward D. Stanley, Charles Shepard, Micajah T. Hawkins, James McKay, Edmund Deberry, Abraham Rencher, William Montgomery, Augustine H. Shepherd, James Graham, Henry Connor, Lewis Williams, Samuel T. Sawyer.

South Carolina – H. S. Legare, Waddy Thompson, Francis W. Pickens, W. K. Clowney, F. H. Elmore, John K. Griffin, R. B. Smith, John Campbell, John P. Richardson.

Georgia – Thomas Glascock, S. F. Cleveland, Seaton Grantland, Charles E. Haynes, Hopkins Holsey, Jabez Jackson, Geo. W. Owens, Geo. W. B. Townes, W. C. Dawson.

Tennessee – Wm. B. Carter, A. A. McClelland, Joseph Williams, (one vacancy,) H. L. Turney, Wm. B. Campbell, John Bell, Abraham P. Maury, James K. Polk, Ebenezer J. Shields, Richard Cheatham, John W. Crockett, Christopher H. Williams.

Kentucky – John L. Murray, Edward Rumsey, Sherrod Williams, Joseph R. Underwood, James Harlan, John Calhoun, John Pope, Wm. J. Graves, John White, Richard Hawes, Richard H. Menifee, John Chambers, Wm. W. Southgate.

Ohio – Alexander Duncan, Taylor Webster, Patrick G. Goode, Thomas Corwin, Thomas L. Hamer, Calvary Morris, Wm. K. Bond, J. Ridgeway, John Chaney, Samson Mason, J. Alexander, jr., Alexander Harper, D. P. Leadbetter, Wm. H. Hunter, John W. Allen, Elisha Whittlesey, A. W. Loomis, Matthias Shepler, Daniel Kilgore.

Alabama – Francis S. Lyon, Dixon H. Lewis, Joab Lawler, Reuben Chapman, J. L. Martin.

Indiana – Ratliff Boon, John Ewing, William Graham, George H. Dunn, James Rariden, William Herrod, Albert S. White.

Illinois – A. W. Snyder, Zadoc Casey, Wm. L. May.

Louisiana – Henry Johnson, Eleazer W. Ripley, Rice Garland.

Mississippi – John F. H. Claiborne, S. H. Gholson.
Arkansas – Archibald Yell.
Missouri – Albert G. Harrison, John Miller.
Michigan – Isaac E. Crary.
Florida – Charles Downing.
Wisconsin – George W. Jones.

In these ample lists, both of the Senate and of the House, will be discovered a succession of eminent names – many which had then achieved eminence, others to achieve it: – and, besides those which captivate regard by splendid ability, a still larger number of those less brilliant, equally respectable, and often more useful members, whose business talent performs the work of the body, and who in England are well called, the working members. Of these numerous members, as well the brilliant as the useful, it would be invidious to particularize part without enumerating the whole; and that would require a reproduction of the greater part of the list of each House. Four only can be named, and they entitled to that distinction from the station attained, or to be attained by them: – Mr. John Quincy Adams, who had been president; *Messrs.* James K. Polk, Millard Fillmore and Franklin Pierce, who became presidents. In my long service I have not seen a more able Congress; and it is only necessary to read over the names, and to possess some knowledge of our public men, to be struck with the number of names which would come under the description of useful or brilliant members.

The election of speaker was the first business of the House; and Mr. James K. Polk and Mr. John Bell, both of Tennessee, being put in nomination, Mr. Polk received 116 votes; and was elected – Mr. Bell receiving 103. Mr. Walter S. Franklin was elected clerk.

The message was delivered upon receiving notice of the organization of the two Houses; and, with temperance and firmness, it met all the exigencies of the occasion. That specie order which had been the subject of so much denunciation, – the imputed cause of the suspension, and the revocation of which was demanded with so much pertinacity and such imposing demonstration, – far from being given up was commended for the good effects it had produced; and the determination expressed not to interfere with its operation. In relation to that decried measure the message said:

> "Of my own duties under the existing laws, when the banks suspended specie payments, I could not doubt. Directions were immediately given to prevent the reception into the Treasury of any thing but gold and silver, or its equivalent; and every practicable arrangement was made to preserve the public faith, by similar or equivalent payments to the public creditors. The revenue from lands had been for some time substantially so collected, under the order issued by the directions of my predecessor. The effects of that order had been so salutary, and its forecast in regard to the increasing insecurity of bank paper had become so apparent, that, even before the catastrophe, I had resolved not to interfere with its operation. Congress is now to decide whether the revenue shall continue to be so collected, or not."

This was explicit, and showed that all attempts to operate upon the President at that point, and to coerce the revocation of a measure which he deemed salutary, had totally failed. The next great object of the party which had contrived the suspension and organized the distress, was to extort the re-establishment of the Bank of the United States; and here again was an equal failure to operate upon the firmness of the President. He reiterated his former objections to such an institution – not merely to the particular one which had been tried – but to any one in any form, and declared his former convictions to be strengthened by recent events. Thus:

> "We have seen for nearly half a century, that those who advocate a national bank, by whatever motive they may be influenced, constitute a portion of our community too numerous to allow us to hope for an early abandonment of their favorite plan. On the other hand, they must indeed form an erroneous estimate

> of the intelligence and temper of the American people, who suppose that they have continued, on slight or insufficient grounds, their persevering opposition to such an institution; or that they can be induced by pecuniary pressure, or by any other combination of circumstances, to surrender principles they have so long and so inflexibly maintained. My own views of the subject are unchanged. They have been repeatedly and unreservedly announced to my fellow-citizens, who, with full knowledge of them, conferred upon me the two highest offices of the government. On the last of these occasions, I felt it due to the people to apprise them distinctly, that, in the event of my election, I would not be able to co-operate in the re-establishment of a national bank. To these sentiments, I have now only to add the expression of an increased conviction, that the re-establishment of such a bank, in any form, whilst it would not accomplish the beneficial purpose promised by its advocates, would impair the rightful supremacy of the popular will; injure the character and diminish the influence of our political system; and bring once more into existence a concentrated moneyed power, hostile to the spirit, and threatening the permanency, of our republican institutions."

Having noticed these two great points of pressure upon him, and thrown them off with equal strength and decorum, he went forward to a new point – the connection of the federal government with any bank of issue in any form, either as a depository of its moneys, or in the use of its notes; – and recommended a total and perpetual dissolution of the connection. This was a new point of policy, long meditated by some, but now first brought forward for legislative action, and cogently recommended to Congress for its adoption. The message, referring to the recent failure of the banks, took advantage of it to say:

> "Unforeseen in the organization of the government, and forced on the Treasury by early necessities, the practice of employing banks, was, in truth, from the beginning, more a measure of emergency than of sound policy. When we started into existence as a nation, in addition to the burdens of the new government, we assumed all the large, but honorable load, of debt which was the price of our liberty; but we hesitated to weigh down the infant industry of the country by resorting to adequate taxation for the necessary revenue. The facilities of banks, in return for the privileges they acquired, were promptly offered, and perhaps too readily received, by an embarrassed treasury. During the long continuance of a national debt, and the intervening difficulties of a foreign war, the connection was continued from motives of convenience; but these causes have long since passed away. We have no emergencies that make banks necessary to aid the wants of the Treasury; we have no load of national debt to provide for, and we have on actual deposit a large surplus. No public interest, therefore, now requires the renewal of a connection that circumstances have dissolved. The complete organization of our government, the abundance of our resources, the general harmony which prevails between the different States, and with foreign powers, all enable us now to select the system most consistent with the constitution, and most conducive to the public welfare."

This wise recommendation laid the foundation for the Independent Treasury – a measure opposed with unwonted violence at the time, but vindicated as well by experience as recommended by wisdom; and now universally concurred in – constituting an era in our financial history, and reflecting distinctive credit on Mr. Van Buren's administration. But he did not stop at proposing a dissolution of governmental connection with these institutions; he went further, and proposed to make them safer for the community, and more amenable to the laws of the land. These institutions exercised the privilege of stopping payment, qualified by the gentle name of suspension, when they judged a condition of

the country existed making it expedient to do so. Three of these general suspensions had taken place in the last quarter of a century, presenting an evil entirely too large for the remedy of individual suits against the delinquent banks; and requiring the strong arm of a general and authoritative proceeding. This could only be found in subjecting them to the process of bankruptcy; and this the message boldly recommended. It was the first recommendation of the kind, and deserves to be commemorated for its novelty and boldness, and its undoubted efficiency, if adopted. This is the recommendation:

> "In the mean time, it is our duty to provide all the remedies against a depreciated paper currency which the constitution enables us to afford. The Treasury Department, on several former occasions, has suggested the propriety and importance of a uniform law concerning bankruptcies of corporations, and other bankers. Through the instrumentality of such a law, a salutary check may doubtless be imposed on the issues of paper money, and an effectual remedy given to the citizen, in a way at once equal in all parts of the Union, and fully authorized by the constitution."

A bankrupt law for banks! That was the remedy. Besides its efficacy in preventing future suspensions, it would be a remedy for the actual one. The day fixed for the act to take effect would be the day for resuming payments, or going into liquidation. It would be the day of honesty or death to these corporations; and between these two alternatives even the most refractory bank would choose the former, if able to do so.

The banks of the District of Columbia, and their currency, being under the jurisdiction of Congress, admitted a direct remedy in its own legislation, both for the fact of their suspension and the evil of the small notes which they issued. The forfeiture of the charter, where the resumption did not take place in a limited time, and penalties on the issue of the small notes, were the appropriate remedies; – and, as such were recommended to Congress.

There the President not only met and confronted the evils of the actual suspension as they stood, but went further, and provided against the recurrence of such evils thereafter, in four cardinal recommendations: 1, never to have another national bank; 2, never to receive bank notes again in payment of federal dues; 3, never to use the banks again for depositories of the public moneys; 4, to apply the process of bankruptcy to all future defaulting banks. These were strong recommendations, all founded in a sense of justice to the public, and called for by the supremacy of the government, if it meant to maintain its supremacy; but recommendations running deep into the pride and interests of a powerful class, and well calculated to inflame still higher the formidable combination already arrayed against the President, and to extend it to all that should support him.

The immediate cause for convoking the extraordinary session – the approaching deficit in the revenue – was frankly stated, and the remedy as frankly proposed. Six millions of dollars was the estimated amount; and to provide it neither loans nor taxes were proposed, but the retention of the fourth instalment of the deposit to be made with the States, and a temporary issue of treasury notes to supply the deficiency until the incoming revenue should replenish the treasury. The following was that recommendation:

> "It is not proposed to procure the required amount by loans or increased taxation. There are now in the treasury nine millions three hundred and sixty-seven thousand two hundred and fourteen dollars, directed by the Act of the 23d of June, 1836, to be deposited with the States in October next. This sum, if so deposited, will be subject, under the law, to be recalled, if needed, to defray existing appropriations; and, as it is now evident that the whole, or the principal part of it, will be wanted for that purpose, it appears most proper that the deposits should be withheld. Until the amount can be collected from the banks, treasury notes may be temporarily issued, to be gradually redeemed as it is received."

Six millions of treasury notes only were required, and from this small amount required, it is easy to see how readily an adequate amount could have been secured from the deposit banks, if the administration had foreseen a month or two beforehand that the suspension was to take place. An issue of treasury notes, being an imitation of the exchequer bill issues of the British government, which had been the facile and noiseless way of swamping that government in bottomless debt, was repugnant to the policy of this writer, and opposed by him: but of this hereafter. The third instalment of the deposit, as it was called, had been received by the States – received in depreciated paper, and the fourth demanded in the same. A deposit demanded! and claimed as a debt! – that is to say: the word "*deposit*" used in the act admitted to be both by Congress and the States a fraud and a trick, and distribution the thing intended and done. Seldom has it happened that so gross a fraud, and one, too, intended to cheat the constitution, has been so promptly acknowledged by the high parties perpetrating it. But of this also hereafter.

The decorum and reserve of a State paper would not allow the President to expatiate upon the enormity of the suspension which had been contrived, nor to discriminate between the honest and solvent banks which had been taken by surprise and swept off in a current which they could not resist, and the insolvent or criminal class, which contrived the catastrophe and exulted in its success. He could only hint at the discrimination, and, while recommending the bankrupt process for one class, to express his belief that with all the honest and solvent institutions the suspension would be temporary, and that they would seize the earliest moment which the conduct of others would permit, to vindicate their integrity and ability by returning to specie payments.

CHAPTER IX.
ATTACKS ON THE MESSAGE: TREASURY NOTES

Under the first two of our Presidents, Washington, and the first Mr. Adams, the course of the British Parliament was followed in answering the address of the President, as the course of the sovereign was followed in delivering it. The Sovereign delivered his address in person to the two assembled Houses, and each answered it: our two first Presidents did the same, and the Houses answered. The purport of the answer was always to express a concurrence, or non-concurrence with the general policy of the government as thus authentically exposed; and the privilege of answering the address laid open the policy of the government to the fullest discussion. The effect of the practice was to lay open the state of the country, and the public policy, to the fullest discussion; and, in the character of the answer, to decide the question of accord or disaccord – of support or opposition – between the representative and the executive branches of the government. The change from the address delivered in person, with its answer, to the message sent by the private secretary, and no answer, was introduced by Mr. Jefferson, and considered a reform; but it was questioned at the time, whether any good would come of it, and whether that would not be done irregularly, in the course of the debates, which otherwise would have been done regularly in the discussion of the address. The administration policy would be sure to be attacked, and irregularly, in the course of business, if the spirit of opposition should not be allowed full indulgence in a general and regular discussion. The attacks would come, and many of Mr. Jefferson's friends thought it better they should come at once, and occupy the first week or two of the session, than to be scattered through the whole session and mixed up with all its business. But the change was made, and has stood, and now any bill or motion is laid hold of, to hang a speech upon, against the measures or policy of an administration. This was signally the case at this extra session, in relation to Mr. Van Buren's policy. He had staked himself too decisively against too large a combination of interests to expect moderation or justice from his opponents; and he received none. Seldom has any President been visited with more violent and general assaults than he received, almost every opposition speaker assailing some part of the message. One of the number, Mr. Caleb Cushing, of Massachusetts, made it a business to reply to the whole document, formally and elaborately, under two and thirty distinct heads – the number of points in the mariner's compass: each head bearing a caption to indicate its point: and in that speech any one that chooses, can find in a condensed form, and convenient for reading, all the points of accusation against the democratic policy from the beginning of the government down to that day.

Mr. Clay and Mr. Webster assailed it for what it contained, and for what it did not – for its specific recommendations, and for its omission to recommend measures which they deemed necessary. The specie payments – the disconnection with banks – the retention of the fourth instalment – the bankrupt act against banks – the brief issue of treasury notes; all were condemned as measures improper in themselves and inadequate to the relief of the country: while, on the other hand, a national bank appeared to them to be the proper and adequate remedy for the public evils. With them acted many able men: – in the Senate, Bayard, of Delaware, Crittenden, of Kentucky, John Davis, of Massachusetts, Preston, of South Carolina, Southard, of New Jersey, Rives, of Virginia: – in the House of Representatives, Mr. John Quincy Adams, Bell, of Tennessee, Richard Biddle, of Pennsylvania, Cushing, of Massachusetts, Fillmore, of New York, Henry Johnson, of Louisiana, Hunter and Mercer, of Virginia, John Pope, of Kentucky, John Sargeant, Underwood of Kentucky, Lewis Williams, Wise. All these were speaking members, and in their diversity of talent displayed all the varieties of effective speaking – close reasoning, sharp invective, impassioned declamation, rhetoric, logic.

On the other hand was an equal array, both in number and speaking talent, on the other side, defending and supporting the recommendations of the President: – in the Senate, Silas Wright, Grundy, John M. Niles, King, of Alabama, Strange, of North Carolina, Buchanan, Calhoun, Linn, of Missouri, Benton, Bedford Brown, of North Carolina, William Allen, of Ohio, John P. King, of Georgia, Walker, of Mississippi: – in the House of Representatives, Cambreleng, of New York, Hamer, of Ohio, Howard and Francis Thomas, of Maryland, McKay, of North Carolina, John M. Patton, Francis Pickens.

The treasury note bill was one of the first measures on which the struggle took place. It was not a favorite with the whole body of the democracy, but the majority preferred a small issue of that paper, intended to operate, not as a currency, but as a ready means of borrowing money, and especially from small capitalists; and, therefore, preferable to a direct loan. It was opposed as a paper money bill in disguise, as germinating a new national debt, and as the easy mode of raising money, so ready to run into abuse from its very facility of use. The President had recommended the issue in general terms: the Secretary of the Treasury had descended into detail, and proposed notes as low as twenty dollars, and without interest. The Senate's committee rejected that proposition, and reported a bill only for large notes – none less than 100 dollars, and bearing interest; so as to be used for investment, not circulation. Mr. Webster assailed the Secretary's plan, saying —

> "He proposes, sir, to issue treasury notes of small denominations, down even as low as twenty dollars, not bearing interest, and redeemable at no fixed period; they are to be received in debts due to government, but are not otherwise to be paid until at some indefinite time there shall be a certain surplus in the treasury beyond what the Secretary may think its wants require. Now, sir, this is plain, authentic, statutable paper money; it is exactly a new emission of old continental. If the genius of the old confederation were now to rise up in the midst of us, he could not furnish us, from the abundant stores of his recollection, with a more perfect model of paper money. It carries no interest; it has no fixed time of payment; it is to circulate as currency, and it is to circulate on the credit of government alone, with no fixed period of redemption! If this be not paper money, pray, sir, what is it? And, sir, who expected this? Who expected that in the fifth year of the *experiment for reforming the currency*, and bringing it to an absolute gold and silver circulation, the Treasury Department would be found recommending to us a regular emission of paper money? This, sir, is quite new in the history of this government; it belongs to that of the confederation which has passed away. Since 1789, although we have issued treasury notes on sundry occasions, we have issued none like these; that is to say, we have issued none not bearing interest, intended for circulation, and with no fixed mode of redemption. I am glad, however, Mr. President, that the committee have not adopted the Secretary's recommendation, and that they have recommended the issue of treasury notes of a description more conformable to the practice of the government."

Mr. Benton, though opposed to the policy of issuing these notes, and preferring himself a direct loan in this case, yet defended the particular bill which had been brought in from the character and effects ascribed to it, and said:

> "He should not have risen in this debate, had it not been for the misapprehensions which seemed to pervade the minds of some senators as to the character of the bill. It is called by some a paper-money bill, and by others a bill to germinate a new national debt. These are serious imputations, and require to be answered, not by declamation and recrimination, but by facts and reasons, addressed to the candor and to the intelligence of an enlightened and patriotic community.

"I dissent from the imputations on the character of the bill. I maintain that it is neither a paper-money bill, nor a bill to lay the foundation for a new national debt; and will briefly give my reasons for believing as I do on both points.

"There are certainly two classes of treasury notes – one for investment, and one for circulation; and both classes are known to our laws, and possess distinctive features, which define their respective characters, and confine them to their respective uses.

"The notes for investment bear an interest sufficient to induce capitalists to exchange gold and silver for them, and to lay them by as a productive fund. This is their distinctive feature, but not the only one; they possess other subsidiary qualities, such as transferability only by indorsement – payable at a fixed time – not re-issuable – nor of small denomination – and to be cancelled when paid. Notes of this class are, in fact, loan notes – notes to raise loans on, by selling them for hard money – either immediately by the Secretary of the Treasury, or, secondarily, by the creditor of the government to whom they have been paid. In a word, they possess all the qualities which invite investment, and forbid and impede circulation.

"The treasury notes for currency are distinguished by features and qualities the reverse of those which have been mentioned. They bear little or no interest. They are payable to bearer – transferable by delivery – re-issuable – of low denominations – and frequently reimbursable at the pleasure of the government. They are, in fact, paper money, and possess all the qualities which forbid investment, and invite to circulation. The treasury notes of 1815 were of that character, except for the optional clause to enable the holder to fund them at the interest which commanded loans – at seven per cent.

"These are the distinctive features of the two classes of notes. Now try the committee's bill by the test of these qualities. It will be found that the notes which it authorizes belong to the first-named class; that they are to bear an interest, which may be six per cent.; that they are transferable only by indorsement; that they are not re-issuable; that they are to be paid at a day certain – to wit, within one year; that they are not to be issued of less denomination than one hundred dollars; are to be cancelled when taken up; and that the Secretary of the Treasury is expressly authorized to raise money upon them by loaning them.

"These are the features and qualities of the notes to be issued, and they define and fix their character as notes to raise loans, and to be laid by as investments, and not as notes for currency, to be pushed into circulation by the power of the government; and to add to the curse of the day by increasing the quantity of unconvertible paper money."

Though yielding to an issue of these notes in this particular form, limited in size of the notes to one hundred dollars, yet Mr. Benton deemed it due to himself and the subject to enter a protest against the policy of such issues, and to expose their dangerous tendency, both to slide into a paper currency, and to steal by a noiseless march into the creation of public debt, and thus expressed himself:

"I trust I have vindicated the bill from the stigma of being a paper currency bill, and from the imputation of being the first step towards the creation of a new national debt. I hope it is fully cleared from the odium of both these imputations. I will now say a few words on the policy of issuing treasury notes in time of peace, or even in time of war, until the ordinary resources of loans and taxes had been tried and exhausted. I am no friend to the issue of treasury notes of any kind. As loans, they are a disguised mode of borrowing, and easy to slide into a currency: as

> a currency, it is the most seductive, the most dangerous, and the most liable to abuse of all the descriptions of paper money. 'The stamping of paper (by government) is an operation so much easier than the laying of taxes, or of borrowing money, that a government in the habit of paper emissions would rarely fail, in any emergency, to indulge itself too far in the employment of that resource, to avoid as much as possible one less auspicious to present popularity.' So said General Hamilton; and Jefferson, Madison Macon, Randolph, and all the fathers of the republican church, concurred with him. These sagacious statesmen were shy of this facile and seductive resource, 'so liable to abuse, and so certain of being abused.' They held it inadmissible to recur to it in time of peace, and that it could only be thought of amidst the exigencies and perils of war, and that after exhausting the direct and responsible alternative of loans and taxes. Bred in the school of these great men, I came here at this session to oppose, at all risks, an issue of treasury notes. I preferred a direct loan, and that for many and cogent reasons. There is clear authority to borrow in the constitution; but, to find authority to issue these notes, we must enter the field of constructive powers. To borrow, is to do a responsible act; it is to incur certain accountability to the constituent, and heavy censure if it cannot be justified; to issue these notes, is to do an act which few consider of, which takes but little hold of the public mind, which few condemn and some encourage, because it increases the quantum of what is vainly called money. Loans are limited by the capacity, at least, of one side to borrow, and of the other to lend: the issue of these notes has no limit but the will of the makers, and the supply of lamp-black and rags. The continental bills of the Revolution, and the assignats of France, should furnish some instructive lessons on this head. Direct loans are always voluntary on the part of the lender; treasury note loans may be a forced borrowing from the government creditor – as much so as if the bayonet were put to his breast; for necessity has no law, and the necessitous claimant must take what is tendered, whether with or without interest – whether ten or fifty per cent. below par. I distrust, dislike, and would fain eschew, this treasury note resource. I prefer the direct loans of 1820-'21. I could only bring myself to acquiesce in this measure when it was urged that there was not time to carry a loan through its forms; nor even then could I consent to it, until every feature of a currency character had been eradicated from the face of the bill."

The bill passed the Senate by a general vote, only Messrs. Clay, Crittenden, Preston, Southard, and Spence of Maryland, voting against it. In the House of Representatives it encountered a more strenuous resistance, and was subjected to some trials which showed the dangerous proclivity of these notes to slide from the foundation of investment into the slippery path of currency. Several motions were made to reduce their size – to make them as low as $25; and that failing, to reduce them to $50; which succeeded. The interest was struck at in a motion to reduce it to a nominal amount; and this motion, like that for reducing the minimum size to $25, received a large support – some ninety votes. The motion to reduce to $50 was carried by a majority of forty. Returning to the Senate with this amendment, Mr. Benton moved to restore the $100 limit, and intimated his intention, if it was not done, of withholding his support from the bill – declaring that nothing but the immediate wants of the Treasury, and the lack of time to raise the money by a direct loan as declared by the Secretary of the Treasury, could have brought him to vote for treasury notes in any shape. Mr. Clay opposed the whole scheme as a government bank in disguise, but supported Mr. Benton's motion as being adverse to that design. He said:

> "He had been all along opposed to this measure, and he saw nothing now to change that opinion. Mr. C. would have been glad to aid the wants of the Treasury,

but thought it might have been done better by suspending the action of many appropriations not so indispensably necessary, rather than by resorting to a loan. Reduction, economy, retrenchment, had been recommended by the President, and why not then pursued? Mr. C.'s chief objection, however, was, that these notes were mere post notes, only differing from bank notes of that kind in giving the Secretary a power of fixing the interest as he pleases.

"It is, said Mr. C., a government bank, issuing government bank notes; an experiment to set up a government bank. It is, in point of fact, an incipient bank. Now, if government has the power to issue bank notes, and so to form indirectly and covertly a bank, how is it that it has not the power to establish a national bank? What difference is there between a great government bank, with Mr. Woodbury as the great cashier, and a bank composed of a corporation of private citizens? What difference is there, except that the latter is better and safer, and more stable, and more free from political influences, and more rational and more republican? An attack is made at Washington upon all the banks of the country, when we have at least one hundred millions of bank paper in circulation. At such a time, a time too of peace, instead of aid, we denounce them, decry them, seek to ruin them, and begin to issue paper in opposition to them! You resort to paper, which you profess to put down; you resort to a bank, which you pretend to decry and to denounce; you resort to a government paper currency, after having exclaimed against every currency except that of gold and silver! Mr. C. said he should vote for Mr. Benton's amendment, as far as it went to prevent the creation of a government bank and a government currency."

Mr. Webster also supported the motion of Mr. Benton, saying:

"He would not be unwilling to give his support to the bill, as a loan, and that only a temporary loan. He was, however, utterly opposed to every modification of the measure which went to stamp upon it the character of a government currency. All past experience showed that such a currency would depreciate; that it will and must depreciate. He should vote for the amendment, inasmuch as $100 bills were less likely to get into common circulation than $50 bills. His objection was against the old continental money in any shape or in any disguise, and he would therefore vote for the amendment."

The motion was lost by a vote of 16 to 25, the yeas and nays being:

Yeas – Messrs. Allen, Benton, Clay, of Kentucky, Clayton, Kent, King, of Georgia, McKean, Pierce, Rives, Robbins, Smith, of Connecticut, Southard, Spence, Tipton, Webster, White – 16.

Nays – Messrs. Buchanan, Clay, of Alabama, Crittenden, Fulton, Grundy, Hubbard, King, of Alabama, Knight, Linn, Lyon, Morris, Nicholas, Niles, Norvell, Roane, Robinson, Smith, of Indiana, Strange, Swift, Talmadge, Walker, Williams, Wall, Wright, Young – 25.

CHAPTER X.
RETENTION OF THE FOURTH DEPOSIT INSTALMENT

The deposit with the States had only reached its second instalment when the deposit banks, unable to stand a continued quarterly drain of near ten millions to the quarter, gave up the effort and closed their doors. The first instalment had been delivered the first of January, in specie, or its equivalent; the second in April, also in valid money; the third one demandable on the first of June, was accepted by the States in depreciated paper: and they were very willing to receive the fourth instalment in the same way. It had cost the States nothing, – was not likely to be called back by the federal government, and was all clear gains to those who took it as a deposit and held it as a donation. But the Federal Treasury needed it also; and likewise needed ten millions more of that amount which had already been "*deposited*" with the States; and which "*deposit*" was made and accepted under a statute which required it to be paid back whenever the wants of the Treasury required it. That want had now come, and the event showed the delusion and the cheat of the bill under which a distribution had been made in the name of a deposit. The idea of restitution entered no one's head! neither of the government to demand it, nor of the States to render back. What had been delivered, was gone! that was a clear case; and reclamation, or rendition, even of the smallest part, or at the most remote period, was not dreamed of. But there was a portion behind – another instalment of ten millions – deliverable out of the "*surplus*" on the first day of October: but there was no surplus: on the contrary a deficit: and the retention of this sum would seem to be a matter of course with the government, only requiring the form of an act to release the obligation for the delivery. It was recommended by the President, counted upon in the treasury estimates, and its retention the condition on which the amount of treasury notes was limited to ten millions of dollars. A bill was reported for the purpose, in the mildest form, not to repeal but to postpone the clause; and the reception which it met, though finally successful, should be an eternal admonition to the federal government never to have any money transaction with its members – a transaction in which the members become the masters, and the devourers of the head. The finance committee of the Senate had brought in a bill to repeal the obligation to deposit this fourth instalment; and from the beginning it encountered a serious resistance. Mr. Webster led the way, saying:

> "We are to consider that this money, according to the provisions of the existing law, is to go equally among all the States, and among all the people; and the wants of the Treasury must be supplied, if supplies be necessary, equally by all the people. It is not a question, therefore, whether some shall have money, and others shall make good the deficiency. All partake in the distribution, and all will contribute to the supply. So that it is a mere question of convenience, and, in my opinion, it is decidedly most convenient, on all accounts, that this instalment should follow its present destination, and the necessities of the Treasury be provided for by other means."

Mr. Preston opposed the repealing bill, principally on the ground that many of the States had already appropriated this money; that is to say, had undertaken public works on the strength of it; and would suffer more injury from not receiving it than the Federal Treasury would suffer from otherwise supplying its place. Mr. Crittenden opposed the bill on the same ground. Kentucky, he said, had made provision for the expenditure of the money, and relied upon it, and could not expect the law to be lightly rescinded, or broken, on the faith of which she had anticipated its use. Other senators treated

the deposit act as a contract, which the United States was bound to comply with by delivering all the instalments.

In the progress of the bill Mr. Buchanan proposed an amendment, the effect of which would be to change the essential character of the so called, deposit act, and convert it into a real distribution measure. By the terms of the act, it was the duty of the Secretary of the Treasury to call upon the States for a return of the deposit when needed by the Federal Treasury: Mr. Buchanan proposed to release the Secretary from this duty, and devolve it upon Congress, by enacting that the three instalments already delivered, should remain on deposit with the States until called for by Congress. Mr. Niles saw the evil of the proposition, and thus opposed it:

> "He must ask for the yeas and nays on the amendment, and was sorry it had been offered. If it was to be fully considered, it would renew the debate on the deposit act, as it went to change the essential principles and terms of that act. A majority of those who voted for that act, about which there had been so much said, and so much misrepresentation, had professed to regard it – and he could not doubt that at the time they did so regard it – as simply a deposit law; as merely changing the place of deposit from the banks to the States, so far as related to the surplus. The money was still to be in the Treasury, and liable to be drawn out, with certain limitations and restrictions, by the ordinary appropriation laws, without the direct action of Congress. The amendment, if adopted, will change the principles of the deposit act, and the condition of the money deposited with the States under it. It will no longer be a deposit; it will not be in the Treasury, even in point of legal effect or form: the deposit will be changed to a loan, or, perhaps more properly, a grant to the States. The rights of the United States will be changed to a mere claim, like that against the late Bank of the United States; and a claim without any means to enforce it. We were charged, at the time, of making a distribution of the public revenue to the States, in the disguise and form of a deposit; and this amendment, it appeared to him, would be a very bold step towards confirming the truth of that charge. He deemed the amendment an important one, and highly objectionable; but he saw that the Senate were prepared to adopt it, and he would not pursue the discussion, but content himself with repeating his request for the ayes and noes on the question."

Mr. Buchanan expressed his belief that the substitution of Congress for the Secretary of the Treasury, would make no difference in the nature of the fund: and that remark of his, if understood as sarcasm, was undoubtedly true; for the deposit was intended as a distribution by its authors from the beginning, and this proposed substitution was only taking a step, and an effectual one, to make it so: for it was not to be expected that a Congress would ever be found to call for this money from the States, which they were so eager to give to the States. The proposition of Mr. Buchanan was carried by a large majority – 33 to 12 – all the opponents of the administration, and a division of its friends, voting for it. Thus, the whole principle, and the whole argument on which the deposit act had been passed, was reversed. It was passed to make the State treasuries the Treasury *pro tanto* of the United States – to substitute the States for the banks, for the keeping of this surplus until it was wanted – and it was placed within the call of a federal executive officer that it might be had for the public service when needed. All this was reversed. The recall of the money was taken from the federal executive, and referred to the federal legislative department – to the Congress, composed of members representing the States – that is to say, from the payee to the payor, and was a virtual relinquishment of the payment. And thus the deposit was made a mockery and a cheat; and that by those who passed it.

In the House of Representatives the disposition to treat the deposit as a contract, and to compel the government to deliver the money (although it would be compelled to raise by extraordinary means

what was denominated a surplus), was still stronger than in the Senate, and gave rise to a protracted struggle, long and doubtful in its issue. Mr. Cushing laid down the doctrine of contract, and thus argued it:

> "The clauses of the deposit act, which appertain to the present question, seem to me to possess all the features of a contract. It provides that the whole surplus revenue of the United States, beyond a certain sum, which may be in the Treasury on a certain day, shall be deposited with the several States; which deposit the States are to keep safely, and to pay back to the United States, whenever the same shall be called for by the Secretary of the Treasury in a prescribed time and mode, and on the happening of a given contingency. Here, it seems to me, is a contract in honor; and, so far as there can be a contract between the United States and the several States, a contract in law; there being reciprocal engagements, for a valuable consideration, on both sides. It is, at any rate, a quasi-contract. They who impugn this view of the question argue on the supposition that the act, performed or to be performed by the United States, is an inchoate gift of money to the States. Not so. It is a contract of deposit; and that contract is consummated, and made perfect, on the formal reception of any instalment of the deposit by the States. Now, entertaining this view of the transaction, I am asked by the administration to come forward and break this contract. True, a contract made by the government of the United States cannot be enforced in law. Does that make it either honest or honorable for the United States to take advantage of its power and violate its pledged faith? I refuse to participate in any such breach of faith. But further. The administration solicits Congress to step in between the United States and the States as a volunteer, and to violate a contract, as the means of helping the administration out of difficulties, into which its own madness and folly have wilfully sunk it, and which press equally upon the government and the people. The object of the measure is to relieve the Secretary of the Treasury from the responsibility of acting in this matter as he has the power to do. Let him act. I will not go out of my way to interpose in this between the Executive and the several States, until the administration appeals to me in the right spirit. This it has not done. The Executive comes to us with a new doctrine, which is echoed by his friends in this House, namely, that the American government is not to exert itself for the relief of the American people. Very well. If this be your policy, I, as representing the people, will not exert myself for the relief of your administration."

Such was the chicanery, unworthy of a *pie-poudre* court – with which a statute of the federal Congress, stamped with every word, invested with every form, hung with every attribute, to define it a deposit – not even a loan – was to be pettifogged into a gift! and a contract for a gift! and the federal Treasury required to stand and deliver! and all that, not in a low law court, where attorneys congregate, but in the high national legislature, where candor and firmness alone should appear. History would be faithless to her mission if she did not mark such conduct for reprobation, and invoke a public judgment upon it.

After a prolonged contest the vote was taken, and the bill carried, but by the smallest majority – 119 to 117; – a difference of two votes, which was only a difference of one member. But even that was a delusive victory. It was immediately seen that more than one had voted with the majority, not for the purpose of passing the bill, but to gain the privilege of a majority member to move for a reconsideration. Mr. Pickens, of South Carolina, immediately made that motion, and it was carried by a majority of 70! Mr. Pickens then proposed an amendment, which was to substitute definite for indefinite postponement – to postpone to a day certain instead of the pleasure of Congress: and the first day of January, 1839, was the day proposed; and that without reference to the condition of

the Treasury (which might not then have any surplus), for the transfer of this fourth instalment of a deposit to the States. The vote being taken on this proposed amendment, it was carried by a majority of 40: and that amendment being concurred in by the Senate, the bill in that form became a law, and a virtual legalization of the deposit into a donation of forty millions to the States. And this was done by the votes of members who had voted for a deposit with the States; because a donation to the States was unconstitutional. The three instalments already delivered were not to be recalled until Congress should so order; and it was quite certain that it never would so order. At the same time the nominal discretion of Congress over the deposit of the remainder was denied, and the duty of the Secretary made peremptory to deliver it in the brief space of one year and a quarter from that time. But events frustrated that order. The Treasury was in no condition on the first day of January, 1839, to deliver that amount of money. It was penniless itself. The compromise act of 1833, making periodical reductions in the tariff, until the whole duty was reduced to an *ad valorem* of twenty per cent., had nearly run its course, and left the Treasury in the condition of a borrower, instead of that of a donor or lender of money. This fourth instalment could not be delivered at the time appointed, nor subsequently; – and was finally relinquished, the States retaining the amount they had received: which was so much clear gain through the legislative fraud of making a distribution under the name of a deposit.

This was the end of one of the distribution schemes which had so long afflicted and disturbed Congress and the country. Those schemes began now to be known by their consequences – evil to those they were intended to benefit, and of no service to those whose popularity they were to augment. To the States the deposit proved to be an evil, in the contentions and combinations to which their disposition gave rise in the general assemblies – in the objects to which they were applied – and the futility of the help which they afforded. Popularity hunting, on a national scale, gave birth to the schemes in Congress: the same spirit, on a smaller and local scale, took them up in the States. All sorts of plans were proposed for the employment of the money, and combinations more or less interested, or designing, generally carried the point in the universal scramble. In some States a pro rata division of the money, per capite, was made; and the distributive share of each individual being but a few shillings, was received with contempt by some, and rejected with scorn by others. In other States it was divided among the counties, and gave rise to disjointed undertakings of no general benefit. Others, again, were stimulated by the unexpected acquisition of a large sum, to engage in large and premature works of internal improvement, embarrassing the State with debt, and commencing works which could not be finished. Other States again, looking upon the deposit act as a legislative fraud to cover an unconstitutional and demoralizing distribution of public money to the people, refused for a long time to receive their proffered dividend, and passed resolutions of censure upon the authors of the act. And thus the whole policy worked out differently from what had been expected. The States and the people were not grateful for the favor: the authors of the act gained no presidential election by it: and the gratifying fact became evident that the American people were not the degenerate Romans, or the volatile Greeks, to be seduced with their own money – to give their votes to men who lavished the public moneys on their wants or their pleasures – in grain to feed them, or in shows and games to delight and amuse them.

CHAPTER XI.
INDEPENDENT TREASURY AND HARD MONEY PAYMENTS

These were the crowning measures of the session, and of Mr. Van Buren's administration, – not entirely consummated at that time, but partly, and the rest assured; – and constitute in fact an era in our financial history. They were the most strenuously contested measures of the session, and made the issue completely between the hard money and the paper money systems. They triumphed – have maintained their supremacy ever since – and vindicated their excellence on trial. Vehemently opposed at the time, and the greatest evil predicted, opposition has died away, and given place to support; and the predicted evils have been seen only in blessings. No attempt has been made to disturb these great measures since their final adoption, and it would seem that none need now be apprehended; but the history of their adoption presents one of the most instructive lessons in our financial legislation, and must have its interest with future ages as well as with the present generation. The bills which were brought in for the purpose were clear in principle – simple in detail: the government to receive nothing but gold and silver for its revenues, and its own officers to keep it – the Treasury being at the seat of government, with branches, or sub-treasuries at the principal points of collection and disbursement. And these treasuries to be real, not constructive – strong buildings to hold the public moneys, and special officers to keep the keys. The capacious, strong-walled and well-guarded custom houses and mints, furnished in the great cities the rooms that were wanted: the Treasury building at Washington was ready, and in the right place.

This proposed total separation of the federal government from all banks – called at the time in the popular language of the day, the divorce of Bank and State – naturally arrayed the whole bank power against it, from a feeling of interest; and all (or nearly so) acted in conjunction with the once dominant, and still potent, Bank of the United States. In the Senate, Mr. Webster headed one interest – Mr. Rives, of Virginia, the other; and Mr. Calhoun, who had long acted with the opposition, now came back to the support of the democracy, and gave the aid without which these great measures of the session could not have been carried. His temperament required him to have a lead; and it was readily yielded to him in the debate in all cases where he went with the recommendations of the message; and hence he appeared, in the debate on these measures, as the principal antagonist of Mr. Webster and Mr. Rives.

The present attitude of Mr. Calhoun gave rise to some taunts in relation to his former support of a national bank, and on his present political associations, which gave him the opportunity to set himself right in relation to that institution and his support of it in 1816 and 1834. In this vein Mr. Rives said:

> "It does seem to me, Mr. President, that this perpetual and gratuitous introduction of the Bank of the United States into this debate, with which it has no connection, as if to alarm the imaginations of grave senators, is but a poor evidence of the intrinsic strength of the gentleman's cause. Much has been said of argument *ad captandum* in the course of this discussion. I have heard none that can compare with this solemn stalking of the ghost of the Bank of the United States through this hall, to 'frighten senators from their propriety.' I am as much opposed to that institution as the gentleman or any one else is, or can be. I think I may say I have given some proofs of it. The gentleman himself acquits me of any design to favor the interest of that institution, while he says such is the necessary consequence of my proposition. The suggestion is advanced for effect, and then retracted in form.

> Whatever be the new-born zeal of the senator from South Carolina against the Bank of the United States, I flatter myself that I stand in a position that places me, at least, as much above suspicion of an undue leaning in favor of that institution as the honorable gentleman. If I mistake not, it was the senator from South Carolina who introduced and supported the bill for the charter of the United States Bank in 1816; it was he, also, who brought in a bill in 1834, to extend the charter of that institution for a term of twelve years; and none were more conspicuous than he in the well-remembered scenes of that day, in urging the restoration of the government deposits to this same institution."

The reply of Mr. Calhoun to those taunts, which impeached his consistency – a point at which he was always sensitive – was quiet and ready, and the same that he had often been heard to express in common conversation. He said:

> "In supporting the bank of 1816, I openly declared that, as a question *de novo*, I would be decidedly against the bank, and would be the last to give it my support. I also stated that, in supporting the bank then, I yielded to the necessity of the case, growing out of the then existing and long-established connection between the government and the banking system. I took the ground, even at that early period, that so long as the connection existed, so long as the government received and paid away bank notes as money, they were bound to regulate their value, and had no alternative but the establishment of a national bank. I found the connection in existence and established before my time, and over which I could have no control. I yielded to the necessity, in order to correct the disordered state of the currency, which had fallen exclusively under the control of the States. I yielded to what I could not reverse, just as any member of the Senate now would, who might believe that Louisiana was unconstitutionally admitted into the Union, but who would, nevertheless, feel compelled to vote to extend the laws to that State, as one of its members, on the ground that its admission was an act, whether constitutional or unconstitutional, which he could not reverse. In 1834, I acted in conformity to the same principle, in proposing the renewal of the bank charter for a short period. My object, as expressly avowed, was to use the bank to break the connection between the government and the banking system gradually, in order to avert the catastrophe which has now befallen us, and which I then clearly perceived. But the connection, which I believed to be irreversible in 1816, has now been broken by operation of law. It is now an open question. I feel myself free, for the first time, to choose my course on this important subject; and, in opposing a bank, I act in conformity to principles which I have entertained ever since I have fully investigated the subject."

Going on with his lead in support of the President's recommendations, Mr. Calhoun brought forward the proposition to discontinue the use of bank paper in the receipts and disbursements of the federal government, and supported his motion as a measure as necessary to the welfare of the banks themselves as to the safety of the government. In this sense he said:

> "We have reached a new era with regard to these institutions. He who would judge of the future by the past, in reference to them, will be wholly mistaken. The year 1833 marks the commencement of this era. That extraordinary man who had the power of imprinting his own feelings on the community, then commenced his hostile attacks, which have left such effects behind, that the war then commenced against the banks, I clearly see, will not terminate, unless there be a separation between them and the government, – until one or the other triumphs – till the government becomes the bank, or the bank the government. In resisting their union,

> I act as the friend of both. I have, as I have said, no unkind feeling toward the banks. I am neither a bank man, nor an anti-bank man. I have had little connection with them. Many of my best friends, for whom I have the highest esteem, have a deep interest in their prosperity, and, as far as friendship or personal attachment extends, my inclination would be strongly in their favor. But I stand up here as the representative of no particular interest. I look to the whole, and to the future, as well as the present; and I shall steadily pursue that course which, under the most enlarged view, I believe to be my duty. In 1834 I saw the present crisis. I in vain raised a warning voice, and endeavored to avert it. I now see, with equal certainty, one far more portentous. If this struggle is to go on – if the banks will insist upon a reunion with the government, against the sense of a large and influential portion of the community – and, above all, if they should succeed in effecting it – a reflux flood will inevitably sweep away the whole system. A deep popular excitement is never without some reason, and ought ever to be treated with respect; and it is the part of wisdom to look timely into the cause, and correct it before the excitement shall become so great as to demolish the object, with all its good and evil, against which it is directed."

Mr. Rives treated the divorce of bank and State as the divorce of the government from the people, and said:

> "Much reliance, Mr. President, has been placed on the popular catch-word of divorcing the government from all connection with banks. Nothing is more delusive and treacherous than catch-words. How often has the revered name of liberty been invoked, in every quarter of the globe, and every age of the world, to disguise and sanctify the most heartless despotisms. Let us beware that, in attempting to divorce the government from all connection with banks, we do not end with divorcing the government from the people. As long as the people shall be satisfied in their transactions with each other, with a sound convertible paper medium, with a due proportion of the precious metals forming the basis of that medium, and mingled in the current of circulation, why should the government reject altogether this currency of the people, in the operations of the public Treasury? If this currency be good enough for the masters it ought to be so for the servants. If the government sternly reject, for its uses, the general medium of exchange adopted by the community, is it not thereby isolated from the general wants and business of the country, in relation to this great concern of the currency? Do you not give it a separate, if not hostile, interest, and thus, in effect, produce a divorce between government and people? – a result, of all others, to be most deprecated in a republican system."

Mr. Webster's main argument in favor of the re-establishment of the National Bank (which was the consummation he kept steadily in his eye) was, as a regulator of currency, and of the domestic exchanges. The answer to this was, that these arguments, now relied on as the main ones for the continuance of the institution, were not even thought of at its commencement – that no such reasons were hinted at by General Hamilton and the advocates of the first bank – that they were new-fangled, and had not been brought forward by others until after the paper system had deranged both currency and exchanges; – and that it was contradictory to look for the cure of the evil in the source of the evil. It was denied that the regulation of exchanges was a government concern, or that the federal government was created for any such purpose. The buying and selling of bills of exchange was a business pursuit – a commercial business, open to any citizen or bank; and the loss or profit was an individual, and not a government concern. It was denied that there was any derangement of currency in the only currency which the constitution recognized – that of gold and silver. Whoever had this

currency to be exchanged – that is, given in exchange at one place for the same in another place – now had the exchange effected on fair terms, and on the just commercial principle – that of paying a difference equal to the freight and insurance of the money: and, on that principle, gold was the best regulator of exchanges; for its small bulk and little weight in proportion to its value, made it easy and cheap of transportation; and brought down the exchange to the minimum cost of such transportation (even when necessary to be made), and to the uniformity of a permanent business. That was the principle of exchange; but, ordinarily, there was no transportation in the case: the exchange dealer in one city had his correspondent in another: a letter often did the business. The regulation of the currency required an understanding of the meaning of the term. As used by the friends of a National Bank, and referred to its action, the paper currency alone was intended. The phrase had got into vogue since the paper currency had become predominant, and that is a currency not recognized by the constitution, but repudiated by it; and one of its main objects was to prevent the future existence of that currency – the evils of which its framers had seen and felt. Gold and silver was the only currency recognized by that instrument, and its regulation specially and exclusively given to Congress, which had lately discharged its duty in that particular, in regulating the relative value of the two metals. The gold act of 1834 had made that regulation, correcting the error of previous legislation, and had revived the circulation of gold, as an ordinary currency, after a total disappearance of it under an erroneous valuation, for an entire generation. It was in full circulation when the combined stoppage of the banks again suppressed it. That was the currency – gold and silver, with the regulation of which Congress was not only intrusted, but charged: and this regulation included preservation. It must be saved before it can be regulated; and to save it, it must be brought into the country – and kept in it. The demand of the federal treasury could alone accomplish these objects. The quantity of specie required for the use of that treasury – its large daily receipts and disbursements – all inexorably confined to hard money – would create the demand for the precious metals which would command their presence, and that in sufficient quantity for the wants of the people as well as of the government. For the government does not consume what it collects – does not melt up or hoard its revenue, or export it to foreign countries, but pays it out to the people; and thus becomes the distributor of gold and silver among them. It is the greatest paymaster in the country; and, while it pays in hard money, the people will be sure of a supply. We are taunted with the demand: "*Where is the better currency?*" We answer: "*Suppressed by the conspiracy of the banks!*" And this is the third time in the last twenty years in which paper money has suppressed specie, and now suppresses it: for this is a game – (the war between gold and paper) – in which the meanest and weakest is always the conqueror. The baser currency always displaces the better. Hard money needs support against paper, and that support can be given by us, by excluding paper money from all federal receipts and payments; and confining paper money to its own local and inferior orbit: and its regulation can be well accomplished by subjecting delinquent banks to the process of bankruptcy, and their small notes to suppression under a federal stamp duty.

The distress of the country figured largely in the speeches of several members, but without finding much sympathy. That engine of operating upon the government and the people had been over-worked in the panic session of 1833-'34 and was now a stale resource, and a crippled machine. The suspension appeared to the country to have been purposely contrived, and wantonly continued. There was now more gold and silver in the country than had ever been seen in it before – four times as much as in 1832, when the Bank of the United States was in its palmy state, and was vaunted to have done so much for the currency. Twenty millions of silver was then its own estimate of the amount of that metal in the United States, and not a particle of gold included in the estimate. Now the estimate of gold and silver was eighty millions; and with this supply of the precious metals, and the determination of all the sound banks to resume as soon as the Bank of the United States could be forced into resumption, or forced into open insolvency, so as to lose control over others, the suspension and embarrassment were obliged to be of brief continuance. Such were the arguments of the friends of hard money.

The divorce bill, as amended, passed the Senate, and though not acted upon in the House during this called session, yet received the impetus which soon carried it through, and gives it a right to be placed among the measures of that session.

CHAPTER XII.
ATTEMPTED RESUMPTION OF SPECIE PAYMENTS

The suspension of the banks commenced at New York, and took place on the morning of the 10th of May: those of Philadelphia, headed by the Bank of the United States, closed their doors two days after, and merely in consequence, as they alleged, of the New York suspension; and the Bank of the United States especially declared its wish and ability to have continued specie payments without reserve, but felt it proper to follow the example which had been set. All this was known to be a fiction at the time; and the events were soon to come, to prove it to be so. As early as the 15th of August ensuing – in less than one hundred days after the suspension – the banks of New York took the initiatory steps towards resuming. A general meeting of the officers of the banks of the city took place, and appointed a committee to correspond with other banks to procure the appointment of delegates to agree upon a time of general resumption. In this meeting it was unanimously resolved: "*That the banks of the several States be respectfully invited to appoint delegates to meet on the 27th day of November next, in the city of New York, for the purpose of conferring on the time when specie payments may be resumed with safety; and on the measures necessary to effect that purpose.*" Three citizens, eminently respectable in themselves, and presidents of the leading institutions – *Messrs.* Albert Gallatin, George Newbold, and Cornelius W. Lawrence – were appointed a committee to correspond with other banks on the subject of the resolution. They did so; and, leaving to each bank the privilege of sending as many delegates as it pleased, they warmly urged the importance of the occasion, and that the banks from each State should be represented in the proposed convention. There was a general concurrence in the invitation; but the convention did not take place. One powerful interest, strong enough to paralyze the movement, refused to come into it. That interest was the Philadelphia banks, headed by the Bank of the United States! So soon were fallacious pretensions exploded when put to the test. And the test in this case was not resumption itself, but only a meeting to confer upon a time when it would suit the general interest to resume. Even to unite in that conference was refused by this arrogant interest, affecting such a superiority over all other banks; and pretending to have been only dragged into their condition by their example. But a reason had to be given for this refusal, and it was – and was worthy of the party; namely, that it was not proper to do any thing in the business until after the adjournment of the extra session of Congress. That answer was a key to the movements in Congress to thwart the government plans, and to coerce a renewal of the United States Bank charter. After the termination of the session it will be seen that another reason for refusal was found.

CHAPTER XIII.
BANKRUPT ACT AGAINST BANKS

This was the stringent measure recommended by the President to cure the evil of bank suspensions. Scattered through all the States of the Union, and only existing as local institutions, the federal government could exercise no direct power over them; and the impossibility of bringing the State legislatures to act in concert, left the institutions to do as they pleased; or rather, left even the insolvent ones to do as they pleased; for these, dominating over the others, and governed by their own necessities, or designs, compelled the solvent banks, through panic or self-defence, to follow their example. Three of these general suspensions had occurred in the last twenty years. The notes of these banks constituting the mass of the circulating medium, put the actual currency into the hands of these institutions; leaving the community helpless; for it was not in the power of individuals to contend with associated corporations. It was a reproach to the federal government to be unable to correct this state of things – to see the currency of the constitution driven out of circulation, and out of the country; and substituted by depreciated paper; and the very evil produced which it was a main object of the constitution to prevent. The framers of that instrument were hard-money men. They had seen the evils of paper money, and intended to guard their posterity against what they themselves had suffered. They had done so, as they believed, in the prohibition upon the States to issue bills of credit; and in the prohibition upon the States to make any thing but gold and silver a tender in discharge of debts. The invention of banks, and their power over the community, had nullified this just and wise intention of the constitution; and certainly it would be a reproach to that instrument if it was incapable of protecting itself against such enemies, at such an important point. Thus far it had been found so incapable; but it was a question whether the fault was in the instrument, or in its administrators. There were many who believed it entirely to be the fault of the latter – who believed that the constitution had ample means of protection, within itself, against insolvent, or delinquent banks – and that, all that was wanted was a will in the federal legislature to apply the remedy which the evil required. This remedy was the process of bankruptcy, under which a delinquent bank might be instantly stopped in its operations – its circulation called in and paid off, as far as its assets would go – itself closed up, and all power of further mischief immediately terminated. This remedy it was now proposed to apply. President Van Buren recommended it: he was the first President who had had the merit of doing so; and all that was now wanted was a Congress to back him: and that was a great want! one hard to supply. A powerful array, strongly combined, was on the other side, both moneyed and political. All the local banks were against it; and they counted a thousand – their stockholders myriads; – and many of their owners and debtors were in Congress: the (still so-called) Bank of the United States was against it: and its power and influence were still great: the whole political party opposed to the administration were against it, as well because opposition is always a necessity of the party out of power, as a means of getting in, as because in the actual circumstances of the present state of things opposition was essential to the success of the outside party. Mr. Webster was the first to oppose the measure, and did so, seeming to question the right of Congress to apply the remedy rather than to question the expediency of it. He said:

> "We have seen the declaration of the President, in which he says that he refrains from suggesting any specific plan for the regulation of the exchanges of the country, and for relieving mercantile embarrassments, or for interfering with the ordinary operation of foreign or domestic commerce; and that he does this from a conviction that such measures are not within the constitutional province of the general government; and yet he has made a recommendation to Congress which appears to me to be very remarkable, and it is of a measure which he thinks

may prove a salutary remedy against a depreciated paper currency. This measure is neither more nor less than a bankrupt law against corporations and other bankers.

"Now, Mr. President, it is certainly true that the constitution authorizes Congress to establish uniform rules on the subject of bankruptcies; but it is equally true, and abundantly manifest that this power was not granted with any reference to currency questions. It is a general power – a power to make uniform rules on the subject. How is it possible that such a power can be fairly exercised by seizing on corporations and bankers, but excluding all the other usual subjects of bankrupt laws! Besides, do such laws ordinarily extend to corporations at all? But suppose they might be so extended, by a bankrupt law enacted for the usual purposes contemplated by such laws; how can a law be defended, which embraces them and bankers alone? I should like to hear what the learned gentleman at the head of the Judiciary Committee, to whom the subject is referred, has to say upon it. How does the President's suggestion conform to his notions of the constitution? The object of bankrupt laws, sir, has no relation to currency. It is simply to distribute the effects of insolvent debtors among their creditors; and I must say, it strikes me that it would be a great perversion of the power conferred on Congress to exercise it upon corporations and bankers, with the leading and primary object of remedying a depreciated paper currency.

"And this appears the more extraordinary, inasmuch as the President is of opinion that the general subject of the currency is not within our province. Bankruptcy, in its common and just meaning, is within our province. Currency, says the message, is not. But we have a bankruptcy power in the constitution, and we will use this power, not for bankruptcy, indeed, but for currency. This, I confess, sir, appears to me to be the short statement of the matter. I would not do the message, or its author, any intentional injustice, nor create any apparent, where there was not a real inconsistency; but I declare, in all sincerity, that I cannot reconcile the proposed use of the bankrupt power with those opinions of the message which respect the authority of Congress over the currency of the country."

The right to use this remedy against bankrupt corporations was of course well considered by the President before he recommended it and also by the Secretary of the Treasury (Mr. Woodbury), bred to the bar, and since a justice of the Supreme Court of the United States, by whom it had been several times recommended. Doubtless the remedy was sanctioned by the whole cabinet before it became a subject of executive recommendation. But the objections of Mr. Webster, though rather suggested than urged, and confined to the *right* without impeaching the *expediency* of the remedy, led to a full examination into the nature and objects of the laws of bankruptcy, in which the right to use them as proposed seemed to be fully vindicated. But the measure was not then pressed to a vote; and the occasion for the remedy having soon passed away, and not recurring since, the question has not been revived. But the importance of the remedy, and the possibility that it may be wanted at some future time, and the high purpose of showing that the constitution is not impotent at a point so vital, renders it proper to present, in this View of the working of the government, the line of argument which was then satisfactory to its advocates: and this is done in the ensuing chapter.

CHAPTER XIV.
BANKRUPT ACT FOR BANKS:
MR. BENTON'S SPEECH

The power of Congress to pass bankrupt laws is expressly given in our constitution, and given without limitation or qualification. It is the fourth in the number of the enumerated powers, and runs thus: "Congress shall have power to establish a uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States." This is a full and clear grant of power. Upon its face it admits of no question, and leaves Congress at full liberty to pass any kind of bankrupt laws they please, limited only by the condition, that whatever laws are passed, they are to be uniform in their operation throughout the United States. Upon the face of our own constitution there is no question of our right to pass a bankrupt law, limited to banks and bankers; but the senator from Massachusetts [Mr. Webster] and others who have spoken on the same side with him, must carry us to England, and conduct us through the labyrinth of English statute law, and through the chaos of English judicial decisions, to learn what this word bankruptcies, in our constitution, is intended to signify. In this he, and they, are true to the habits of the legal profession – those habits which, both in Great Britain and our America, have become a proverbial disqualification for the proper exercise of legislative duties. I know, Mr. President, that it is the fate of our lawyers and judges to have to run to British law books to find out the meaning of the phrases contained in our constitution; but it is the business of the legislator, and of the statesman, to take a larger view – to consider the difference between the political institutions of the two countries – to ascend to first principles – to know the causes of events – and to judge how far what was suitable and beneficial to one might be prejudicial and inapplicable to the other. We stand here as legislators and statesmen, not as lawyers and judges; we have a grant of power to execute not a statute to interpret; and our first duty is to look to that grant, and see what it is; and our next duty is to look over our country, and see whether there is any thing in it which requires the exercise of that grant of power. This is what our President has done, and what we ought to do. He has looked into the constitution, and seen there an unlimited grant of power to pass uniform laws on the subject of bankruptcies; and he has looked over the United States, and seen what he believes to be fit subjects for the exercise of that power, namely, about a thousand banks in a state of bankruptcy, and no State possessed of authority to act beyond its own limits in remedying the evils of a mischief so vast and so frightful. Seeing these two things – a power to act, and a subject matter requiring action – the President has recommended the action which the constitution permits, and which the subject requires; but the senator from Massachusetts has risen in his place, and called upon us to shift our view; to transfer our contemplation – from the constitution of the United States to the British statute book – from actual bankruptcy among ourselves to historical bankruptcy in England; and to confine our legislation to the characteristics of the English model.

As a general proposition, I lay it down that Congress is not confined, like jurists and judges, to the English statutory definitions, or the Nisi Prius or King's Bench construction of the phrases known to English legislation, and used in our constitution. Such a limitation would not only narrow us down to a mere lawyer's view of a subject, but would limit us, in point of time, to English precedents, as they stood at the adoption of our constitution, in the year 1789. I protest against this absurdity, and contend that we are to use our granted powers according to the circumstances of our own country, and according to the genius of our republican institutions, and according to the progress of events and the expansion of light and knowledge among ourselves. If not, and if we are to be confined to the "usual objects," and the "usual subjects," and the "usual purposes," of British legislation at the time of the adoption of our constitution, how could Congress ever make a law in relation to steamboats, or to railroad cars, both of which were unknown to British legislation in 1789; and therefore, according

to the idea that would send us to England to find out the meaning of our constitution, would not fall within the limits of our legislative authority. Upon their face, the words of the constitution are sufficient to justify the President's recommendation, even as understood by those who impugn that recommendation. The bankrupt clause is very peculiar in its phraseology, and the more strikingly so from its contrast with the phraseology of the naturalization clause, which is coupled with it. Mark this difference: there is to be a uniform rule of naturalization: there are to be uniform laws on the subject of bankruptcies. One is in the singular, the other in the plural; one is to be a rule, the other are to be laws; one acts on individuals, the other on the subject; and it is bankruptcies that are, and not bankruptcy that is, to be the objects of these uniform laws.

As a proposition, now limited to this particular case, I lay it down that we are not confined to the modern English acceptation of this term *bankrupt*; for it is a term, not of English, but of Roman origin. It is a term of the civil law, and borrowed by the English from that code. They borrowed from Italy both the name and the purpose of the law; and also the first objects to which the law was applicable. The English were borrowers of every thing connected with this code; and it is absurd in us to borrow from a borrower – to copy from a copyist – when we have the original lender and the original text before us. *Bancus* and *ruptus* signifies a broken bench; and the word *broken* is not metaphorical but literal, and is descriptive of the ancient method of cashiering an insolvent or fraudulent banker, by turning him out of the exchange or market place, and breaking the table bench to pieces on which he kept his money and transacted his business. The term *bankrupt*, then, in the civil law from which the English borrowed it, not only applied to bankers, but was confined to them; and it is preposterous in us to limit ourselves to an English definition of a civil law term.

Upon this exposition of our own constitution, and of the civil law derivation of this term *bankrupt*, I submit that the Congress of the United States is not limited to the English judicial or statutory acceptation of the term; and so I finish the first point which I took in the argument. The next point is more comprehensive, and makes a direct issue with the proposition of the senator from Massachusetts, [Mr. Webster.] His proposition is, that we must confine our bankrupt legislation to the usual objects, the usual subjects, and the usual purposes of bankrupt laws in England; and that currency (meaning paper money and shin-plasters of course), and banks, and banking, are not within the scope of that legislation. I take issue, sir, upon all these points, and am ready to go with the senator to England, and to contest them, one by one, on the evidences of English history, of English statute law, and of English judicial decision. I say English; for, although the senator did not mention England, yet he could mean nothing else, in his reference to the usual objects, usual subjects, and usual purposes of bankrupt laws. He could mean nothing else. He must mean the English examples and the English practice, or nothing; and he is not a person to speak, and mean nothing.

Protesting against this voyage across the high seas, I nevertheless will make it, and will ask the senator on what act, out of the scores which Parliament has passed upon this subject, or on what period, out of the five hundred years that she has been legislating upon it, will he fix for his example? Or, whether he will choose to view the whole together; and out of the vast chaotic and heterogeneous mass, extract a general power which Parliament possesses, and which he proposes for our exemplar? For myself, I am agreed to consider the question under the whole or under either of these aspects, and, relying on the goodness of the cause, expect a safe deliverance from the contest, take it in any way.

And first, as to the acts passed upon this subject; great is their number, and most dissimilar their provisions. For the first two hundred years, these acts applied to none but aliens, and a single class of aliens, and only for a single act, that of flying the realm to avoid their creditors. Then they were made to apply to all debtors, whether natives or foreigners, engaged in trade or not, and took effect for three acts: 1st, flying the realm; 2d, keeping the house to avoid creditors; 3d, taking sanctuary in a church to avoid arrest. For upwards of two hundred years – to be precise, for two hundred and twenty years – bankruptcy was only treated criminally, and directed against those who would not face their creditors, or abide the laws of the land; and the remedies against them were not civil, but criminal; it was not a

distribution of the effects, but corporal punishment, to wit: imprisonment and outlawry.[1] The statute of Elizabeth was the first that confined the law to merchants and traders, took in the unfortunate as well as the criminal, extended the acts of bankruptcy to inability as well as to disinclination to pay, discriminated between innocent and fraudulent bankruptcy; and gave to creditors the remedial right to a distribution of effects. This statute opened the door to judicial construction, and the judges went to work to define by decisions, who were traders, and what acts constituted the fact, or showed an intent to delay or to defraud creditors. In making these decisions, the judges reached high enough to get hold of royal companies, and low enough to get hold of shoemakers; the latter upon the ground that they bought the leather out of which they made the shoes; and they even had a most learned consultation to decide whether a man who was a landlord for dogs, and bought dead horses for his four-legged boarders, and then sold the skins and bones of the horse carcases he had bought, was not a trader within the meaning of the act; and so subject to the statute of bankrupts. These decisions of the judges set the Parliament to work again to preclude judicial constructions by the precision, negatively and affirmatively, of legislative enactment. But, worse and worse! Out of the frying-pan into the fire. The more legislation the more construction; the more statutes Parliament made, the more numerous and the more various the judicial decisions; until, besides merchants and traders, near forty other descriptions of persons were included; and the catalogue of bankruptcy acts, innocent or fraudulent, is swelled to a length which requires whole pages to contain it. Among those who are now included by statutory enactment in England, leaving out the great classes comprehended under the names of merchants and traders, are bankers, brokers, factors, and scriveners; insurers against perils by sea and land; warehousemen, wharfingers, packers, builders, carpenters, shipwrights and victuallers; keepers of inns, hotels, taverns and coffee-houses; dyers, printers, bleachers, fullers, calendrers, sellers of cattle or sheep; commission merchants and consignees; and the agents of all these classes. These are the affirmative definitions of the classes liable to bankruptcy in England; then come the negative; and among these are farmers, graziers, and common laborers for hire; the receivers general of the king's taxes, and members or subscribers to any incorporated companies established by charter of act of Parliament. And among these negative and affirmative exclusions and inclusions, there are many classes which have repeatedly changed position, and found themselves successively in and out of the bankrupt code. Now, in all this mass of variant and contradictory legislation, what part of it will the senator from Massachusetts select for his model? The improved, and approved parts, to be sure! But here a barrier presents itself – an impassable wall interposes – a veto power intervenes. For it so happens that the improvements in the British bankrupt code, those parts of it which are considered best, and most worthy of our imitation, are of modern origin – the creations of the last fifty years – actually made since the date of our constitution; and, therefore, not within the pale of its purview and meaning. Yes, sir, made since the establishment of our constitution, and, therefore, not to be included within its contemplation; unless this doctrine of searching into British statutes for the meaning of our constitution, is to make us search forwards to the end of the British empire, as well as search backwards to its beginning. Fact is, that the actual bankrupt code of Great Britain – the one that preserves all that is valuable, that consolidates all that is preserved, and improves all that is improvable, is an act of most recent date – of the reign of George IV.; and not yet a dozen years old. Here, then, in going back to England for a model, we are cut off from her improvements in the bankrupt code, and confined to take it as it stood under the reign of the Plantagenets, the Tudors, the Stuarts, and the earlier reigns of the Brunswick sovereigns. This should be a consideration, and sufficiently weighty to turn the scale in favor of looking to our own constitution alone for the extent and circumscription of our powers.

[1] *Preamble to the act of 34th of* Henry viii.Whereas divers and sundry persons craftily obtained into their hands great substance of other men's goods, do suddenly flee to parts unknown, or keep their houses, not minding to pay or restore to any of their creditors, their debts and duties, but at their own wills and own pleasures consume the substance obtained by credit of other men for their own pleasures and delicate living, against all reason, equity, and good conscience.

But let us continue this discussion upon principles of British example and British legislation. We must go to England for one of two things; either for a case in point, to be found in some statute, or a general authority, to be extracted from a general practice. Take it either way, or both ways, and I am ready and able to vindicate, upon British precedents, our perfect right to enact a bankrupt law, limited in its application to banks and bankers. And first, for a case in point, that is to say, an English statute of bankruptcy, limited to these lords of the purse-strings: we have it at once, in the first act ever passed on the subject – the act of the 30th year of the reign of Edward III., against the Lombard Jews. Every body knows that these Jews were bankers, usually formed into companies, who, issuing from Venice, Milan, and other parts of Italy, spread over the south and west of Europe, during the middle ages; and established themselves in every country and city in which the dawn of reviving civilization, and the germ of returning industry, gave employment to money, and laid the foundation of credit. They came to London as early as the thirteenth century, and gave their name to a street which still retains it, as well as it still retains the particular occupation, and the peculiar reputation, which the Lombard Jews established for it. The first law against bankrupts ever passed in England, was against the banking company composed of these Jews, and confined exclusively to them. It remained in force two hundred years, without any alteration whatever, and was nothing but the application of the law of their own country to these bankers in the country of their sojournment – the Italian law, founded upon the civil law, and called in Italy *banco rotto*, broken bank. It is in direct reference to these Jews, and this application of the exotic bankrupt law to them, that Sir Edward Coke, in his institutes, takes occasion to say that both the name and the wickedness of bankruptcy were of foreign origin, and had been brought into England from foreign parts. It was enacted under the reign of one of the most glorious of the English princes – a reign as much distinguished for the beneficence of its civil administration as for the splendor of its military achievements. This act of itself is a full answer to the whole objection taken by the senator from Massachusetts. It shows that, even in England, a bankrupt law has been confined to a single class of persons, and that class a banking company. And here I would be willing to close my speech upon a compromise – a compromise founded in reason and reciprocity, and invested with the equitable mantle of a mutual concession. It is this: if we must follow English precedents, let us follow them chronologically and orderly. Let us begin at the beginning, and take them as they rise. Give me a bankrupt law for two hundred years against banks and bankers; and, after that, make another for merchants and traders.

The senator from Massachusetts [Mr. Webster] has emphatically demanded, how the bankrupt power could be fairly exercised by seizing on corporations and bankers, and excluding all the other usual subjects of bankrupt laws? I answer, by following the example of that England to which he has conducted us; by copying the act of the 30th of Edward III., by going back to that reign of heroism, patriotism, and wisdom; that reign in which the monarch acquired as much glory from his domestic policy as from his foreign conquests; that reign in which the acquisition of dyers and weavers from Flanders, the observance of law and justice, and the encouragement given to agriculture and manufactures, conferred more benefit upon the kingdom, and more glory upon the king, than the splendid victories of Poictiers, Agincourt, and Cressy.

But the senator may not be willing to yield to this example, this case in point, drawn from his own fountain, and precisely up to the exigency of the occasion. He may want something more; and he shall have it. I will now take the question upon its broadest bottom and fullest merits. I will go to the question of general power – the point of general authority – exemplified by the general practice of the British Parliament, for five hundred years, over the whole subject of bankruptcy. I will try the question upon this basis; and here I lay down the proposition, that this five hundred years of parliamentary legislation on bankruptcy establishes the point of full authority in the British Parliament to act as it pleased on the entire subject of bankruptcies. This is my proposition; and, when it is proved, I shall claim from those who carry me to England for authority, the same amount of power over the subject which the British Parliament has been in the habit of exercising. Now,

what is the extent of that power? Happily for me, I, who have to speak, without any inclination for the task; still more happily for those who have to hear me, peradventure without profit or pleasure; happily for both parties, my proposition is already proved, partly by what I have previously advanced, and fully by what every senator knows. I have already shown the practice of Parliament upon this subject, that it has altered and changed, contracted and enlarged, put in and left out, abolished and created, precisely as it pleased. I have already shown, in my rapid view of English legislation on this subject, that the Parliament exercised plenary power and unlimited authority over every branch of the bankrupt question; that it confined the action of the bankrupt laws to a single class of persons, or extended it to many classes; that it was sometimes confined to foreigners, then applied to natives, and that now it comprehends natives, aliens, denizens, and women; that at one time all debtors were subject to it; then none but merchants and traders; and now, besides merchants and traders, a long list of persons who have nothing to do with trade; that at one time bankruptcy was treated criminally, and its object punished corporeally, while now it is a remedial measure for the benefit of the creditors, and the relief of unfortunate debtors; and that the acts of the debtor which may constitute him a bankrupt, have been enlarged from three or four glaring misdeeds, to so long a catalogue of actions, divided into the heads of innocent and fraudulent; constructive and positive; intentional and unintentional; voluntary and forced; that none but an attorney, with book in hand, can pretend to enumerate them. All this has been shown; and, from all this, it is incontestable that Parliament can do just what it pleases on the subject; and, therefore, our Congress, if referred to England for its powers, can do just what it pleases also. And thus, whether we go by the words of our own constitution, or by a particular example in England, or deduce a general authority from the general practice of that country, the result is still the same: we have authority to limit, if we please, our bankrupt law to the single class of banks and bankers.

The senator from Massachusetts [Mr. Webster] demands whether bankrupt laws ordinarily extend to corporations, meaning moneyed corporations. I am free to answer that, in point of fact, they do not. But why? because they ought not? or because these corporations have yet been powerful enough, or fortunate enough, to keep their necks out of that noose? Certainly the latter. It is the power of these moneyed corporations in England, and their good fortune in our America, which, enabling them to grasp all advantages on one hand, and to repulse all penalties on the other, has enabled them to obtain express statutory exemption from bankrupt liabilities in England; and to escape, thus far, from similar liabilities in the United States. This, sir, is history, and not invective; it is fact, and not assertion; and I will speedily refresh the senator's memory, and bring him to recollect why it is, in point of fact, that bankrupt laws do not usually extend to these corporations. And, first, let us look to England, that great exemplar, whose evil examples we are so prompt, whose good ones we are so slow, to imitate. How stands this question of corporation unliability there? By the judicial construction of the statute of Elizabeth, the partners in all incorporated companies were held subject to the bankrupt law; and, under this construction, a commission of bankrupt was issued against Sir John Wolstenholme, a gentleman of large fortune, who had advanced a sum of money on an adventure in the East India Company's trade. The issue of this commission was affirmed by the Court of King's Bench; but this happened to take place in the reign of Charles II. – that reign during which so little is found worthy of imitation in the government of Great Britain – and immediately two acts of Parliament were passed, one to annul the judgment of the Court of King's Bench in the case of Sir John Wolstenholme, and the other to prevent any such judgments from being given in future. Here are copies of the two acts:

FIRST ACT, TO ANNUL THE JUDGMENT

"Whereas a verdict and judgment was had in the Easter term of the King's Bench, whereby Sir John Wolstenholme, knight, and adventurer in the East India

> Company, was found liable to a commission of bankrupt only for, and by reason of, a share which he had in the joint stock of said company: Now, &c., Be it enacted, That the said judgment be reversed, annulled, vacated, and for naught held," &c.

SECOND ACT, TO PREVENT SUCH JUDGMENTS IN FUTURE

> "That whereas divers noblemen and gentlemen, and persons of quality, no ways bred up to trade, do often put in great stocks of money into the East India and Guinea Company: Be it enacted, That no persons adventurers for putting in money or merchandise into the said companies, or for venturing or managing the fishing trade, called the royal fishing trade, shall be reputed or taken to be a merchant or trader within any statutes for bankrupts."

Thus, and for these reasons, were chartered companies and their members exempted from the bankrupt penalties, under the dissolute reign of Charles II. It was not the power of the corporations at that time – for the Bank of England was not then chartered, and the East India Company had not then conquered India – which occasioned this exemption; but it was to favor the dignified characters who engaged in the trade – noblemen, gentlemen, and persons of quality. But, afterwards, when the Bank of England had become almost the government of England, and when the East India Company had acquired the dominions of the Great Mogul, an act of Parliament expressly declared that no member of any incorporated company, chartered by act of Parliament, should be liable to become bankrupt. This act was passed in the reign of George IV., when the Wellington ministry was in power, and when liberal principles and human rights were at the last gasp. So much for these corporation exemptions in England; and if the senator from Massachusetts finds any thing in such instances worthy of imitation, let him stand forth and proclaim it.

But, sir, I am not yet done with my answer to this question; do such laws ordinarily extend to corporations at all? I answer, most decidedly, that they do! that they apply in England to all the corporations, except those specially excepted by the act of George IV.; and these are few in number, though great in power – powerful, but few – nothing but units to myriads, compared to those which are not excepted. The words of that act are: "Members of, or subscribers to, any incorporated commercial or trading companies, established by charter act of Parliament." These words cut off at once the many ten thousand corporations in the British empire existing by prescription, or incorporated by letters patent from the king; and then they cut off all those even chartered by act of Parliament which are not commercial or trading in their nature. This saves but a few out of the hundreds of thousands of corporations which abound in England, Scotland, Wales, and Ireland. It saves, or rather confirms, the exemption of the Bank of England, which is a trader in money; and it confirms, also, the exemption of the East India Company which is, in contemplation of law at least, a commercial company; and it saves or exempts a few others deriving charters of incorporation from Parliament; but it leaves subject to the law the whole wilderness of corporations, of which there are thousands in London alone, which derive from prescription or letters patent; and it also leaves subject to the same laws all the corporations created by charter act of Parliament, which are not commercial or trading. The words of the act are very peculiar – "charter act of Parliament;" so that corporations by a general law, without a special charter act, are not included in the exemption. This answer, added to what has been previously said, must be a sufficient reply to the senator's question, whether bankrupt laws ordinarily extend to corporations? Sir, out of the myriad of corporations in Great Britain, the bankrupt law extends to the whole, except some half dozen or dozen.

So much for the exemption of these corporations in England; now for our America. We never had but one bankrupt law in the United States, and that for the short period of three or four years. It was passed under the administration of the elder Mr. Adams, and repealed under Mr. Jefferson. It

copied the English acts including among the subjects of bankruptcy, bankers, brokers, and factors. Corporations were not included; and it is probable that no question was raised about them, as, up to that time, their number was few, and their conduct generally good. But, at a later date, the enactment of a bankrupt law was again attempted in our Congress; and, at that period, the multiplication and the misconduct of banks presented them to the minds of many as proper subjects for the application of the law; I speak of the bill of 1827, brought into the Senate, and lost. That bill, like all previous laws since the time of George II., was made applicable to bankers, brokers, and factors. A senator from North Carolina [Mr. Branch] moved to include banking corporations. The motion was lost, there being but twelve votes for it; but in this twelve there were some whose names must carry weight to any cause to which they are attached. The twelve were, Messrs. Barton, Benton, Branch, Cobb, Dickerson, Hendricks, Macon, Noble, Randolph, Reed, Smith of South Carolina, and White. The whole of the friends of the bill, twenty-one in number, voted against the proposition, (the present Chief Magistrate in the number,) and for the obvious reason, with some, of not encumbering the measure they were so anxious to carry, by putting into it a new and untried provision. And thus stands our own legislation on this subject. In point of fact, then, chartered corporations have thus far escaped bankrupt penalties, both in England, and in our America; but ought they to continue to escape? This is the question – this the true and important inquiry, which is now to occupy the public mind.

The senator from Massachusetts [Mr. Webster] says the object of bankrupt laws has no relation to currency; that their object is simply to distribute the effects of insolvent debtors among their creditors. So says the senator, but what says history? What says the practice of Great Britain? I will show you what it says, and for that purpose will read a passage from McCulloch's notes on Smith's Wealth of Nations. He says:

> "In 1814-'15, and '16, no fewer than 240 country banks stopped payment, and ninety-two commissions of bankruptcy were issued against these establishments, being at the rate of one commission against every seven and a half of the total number of country banks existing in 1813."

Two hundred and forty stopped payment at one dash, and ninety-two subjected to commissions of bankruptcy. They were not indeed chartered banks, for there are none such in England, except the Bank of England; but they were legalized establishments, existing under the first joint-stock bank act of 1708; and they were banks of issue. Yet they were subjected to the bankrupt laws, ninety-two of them in a single season of bank catalepsy; their broken "promises to pay" were taken out of circulation; their doors closed; their directors and officers turned out; their whole effects, real and personal, their money, debts, books, paper, and every thing, put into the hands of assignees; and to these assignees, the holders of their notes forwarded their demands, and were paid, every one in equal proportion – as the debts of the bank were collected, and its effects converted into money; and this without expense or trouble to any one of them. Ninety-two banks in England shared this fate in a single season of bank mortality; five hundred more could be enumerated in other seasons, many of them superior in real capital, credit, and circulation, to our famous chartered banks, most of which are banks of moonshine, built upon each other's paper; and the whole ready to fly sky-high the moment any one of the concern becomes sufficiently inflated to burst. The immediate effect of this application of the bankrupt laws to banks in England, is two-fold: first, to save the general currency from depreciation, by stopping the issue and circulation of irredeemable notes; secondly, to do equal justice to all creditors, high and low, rich and poor, present and absent, the widow and the orphan, as well as the cunning and the powerful, by distributing their effects in proportionate amounts to all who hold demands. This is the operation of bankrupt laws upon banks in England, and all over the British empire; and it happens to be the precise check upon the issue of broken bank paper, and the precise remedy for the injured holders of their dishonored paper which the President recommends. Here is his recommendation, listen to it:

> "In the mean time, it is our duty to provide all the remedies against a depreciated paper currency which the constitution enables us to afford. The Treasury Department, on several former occasions, has suggested the propriety and importance of a uniform law concerning bankruptcies of corporations and other bankers. Through the instrumentality of such a law, a salutary check may doubtless be imposed on the issues of paper money, and an effectual remedy given to the citizen, in a way at once equal in all parts of the Union, and fully authorized by the constitution."

The senator from Massachusetts says he would not, intentionally, do injustice to the message or its author; and doubtless he is not conscious of violating that benevolent determination; but here is injustice, both to the message and to its author; injustice in not quoting the message as it is, and showing that it proposes a remedy to the citizen, as well as a check upon insolvent issues; injustice to the author in denying that the object of bankrupt laws has any relation to currency, when history shows that these laws are the actual instrument for regulating and purifying the whole local paper currency of the entire British empire, and saving that country from the frauds, losses, impositions, and demoralization of an irredeemable paper money.

The senator from Massachusetts says the object of bankrupt laws has no relation to currency. If he means hard-money currency, I agree with him; but if he means bank notes, as I am sure he does, then I point him to the British bankrupt code, which applies to every bank of issue in the British empire, except the Bank of England itself, and the few others, four or five in number, which are incorporated by charter acts. All the joint-stock banks, all the private banks, all the bankers of England, Scotland, Wales, and Ireland, are subject to the law of bankruptcy. Many of these establishments are of great capital and credit; some having hundreds, or even thousands of partners; and many of them having ten, or twenty, or thirty, and some even forty branches. They are almost the exclusive furnishers of the local and common bank note currency; the Bank of England notes being chiefly used in the great cities for large mercantile and Government payments. These joint-stock banks, private companies, and individual bankers are, practically, in the British empire what the local banks are in the United States. They perform the same functions, and differ in name only; not in substance nor in conduct. They have no charters, but they have a legalized existence; they are not corporations, but they are allowed by law to act in a body; they furnish the actual paper currency of the great body of the people of the British empire, as much so as our local banks furnish the mass of paper currency to the people of the United States. They have had twenty-four millions sterling (one hundred and twenty millions of dollars) in circulation at one time; a sum nearly equal to the greatest issue ever known in the United States; and more than equal to the whole bank-note circulation of the present day. They are all subject to the law of bankruptcy, and their twenty-four millions sterling of currency along with them; and five hundred of them have been shut up and wound up under commissions of bankruptcy in the last forty years; and yet the senator from Massachusetts informs us that the object of bankrupt laws has no relation to currency!

But it is not necessary to go all the way to England to find bankrupt laws having relation to currency. The act passed in our own country, about forty years ago, applied to bankers; the bill brought into the House of Representatives, about fifteen years ago, by a gentleman then, and now, a representative from the city of Philadelphia, [Mr. Sergeant,] also applied to bankers; and the bill brought into this Senate, ten years ago, by a senator from South Carolina, not now a member of this body, [General Hayne,] still applied to bankers. These bankers, of whom there were many in the United States, and of whom Girard, in the East, and Yeatman and Woods, in the West, were the most considerable – these bankers all issued paper money; they all issued currency. The act, then, of 1798, if it had continued in force, or the two bills just referred to, if they had become law, would have operated upon these bankers and their banks – would have stopped their issues, and put their

establishments into the hands of assignees, and distributed their effects among their creditors. This, certainly, would have been having some relation to currency: so that, even with our limited essays towards a bankrupt system, we have scaled the outworks of the banking empire; we have laid hold of bankers, but not of banks; we have reached the bank of Girard, but not the Girard Bank; we have applied our law to the bank of Yeatman and Woods, but not to the rabble of petty corporations which have not the tithe of their capital and credit. We have gone as far as bankers, but not as far as banks; and now give me a reason for the difference. Give me a reason why the act of 1798, the bill of Mr. Sergeant, in 1821, and the bill of General Hayne, in 1827, should not include banks as well as bankers. They both perform the same function – that of issuing paper currency. They both involve the same mischief when they stop payment – that of afflicting the country with a circulation of irredeemable and depreciated paper money. They are both culpable in the same mode, and in the same degree; for they are both violators of their "promises to pay." They both exact a general credit from the community, and they both abuse that credit. They both have creditors, and they both have effects; and these creditors have as much right to a *pro rata* distribution of the effects in one case as in the other. Why, then, a distinction in favor of the bank? Is it because corporate bodies are superior to natural bodies? because artificial beings are superior to natural beings? or, rather, is it not because corporations are assemblages of men; and assemblages are more powerful than single men; and, therefore, these corporations, in addition to all their vast privileges, are also to have the privilege of being bankrupt, and afflicting the country with the evils of bankruptcy, without themselves being subjected to the laws of bankruptcy? Be this as it may – be the cause what it will – the decree has gone forth for the decision of the question – for the trial of the issue – for the verdict and judgment upon the claim of the banks. They have many privileges and exemptions now, and they have the benefit of all laws against the community. They pay no taxes; the property of the stockholders is not liable for their debts; they sue their debtors, sell their property, and put their bodies in jail. They have the privilege of stamping paper money; the privilege of taking interest upon double, treble, and quadruple their actual money. They put up and put down the price of property, labor, and produce, as they please. They have the monopoly of making the actual currency. They are strong enough to suppress the constitutional money, and to force their own paper upon the community, and then to redeem it or not, as they please. And is it to be tolerated, that, in addition to all these privileges, and all these powers, they are to be exempted from the law of bankruptcy? the only law of which they are afraid, and the only one which can protect the country against their insolvent issues, and give a fair chance for payment to the numerous holders of their violated "promises to pay!"

I have discussed, Mr. President, the right of Congress to apply a bankrupt law to banking corporations; I have discussed it on the words of our own constitution, on the practice of England, and on the general authority of Parliament; and on each and every ground, as I fully believe, vindicated our right to pass the law. The right is clear; the expediency is manifest and glaring. Of all the objects upon the earth, banks of circulation are the fittest subjects of bankrupt laws. They act in secret, and they exact a general credit. Nobody knows their means, yet every body must trust them. They send their "promises to pay" far and near. They push them into every body's hands; they make them small to go into small hands – into the hands of the laborer, the widow, the helpless, the ignorant. Suddenly the bank stops payment; all these helpless holders of their notes are without pay, and without remedy. A few on the spot get a little; those at a distance get nothing. For each to sue, is a vexatious and a losing business. The only adequate remedy – the only one that promises any justice to the body of the community, and the helpless holders of small notes – is the bankrupt remedy of assignees to distribute the effects. This makes the real effects available. When a bank stops, it has little or no specie; but it has, or ought to have, a good mass of solvent debts. At present, all these debts are unavailable to the community – they go to a few large and favored creditors; and those who are most in need get nothing. But a stronger view remains to be taken of these debts: the mass of them are due from the owners and managers of the banks – from the presidents, directors, cashiers, stockholders, attorneys; and

these people do not make themselves pay. They do not sue themselves, nor protest themselves. They sue and protest others, and sell out their property, and put their bodies in jail; but, as for themselves, who are the main debtors, it is another affair! They take their time, and usually wait till the notes are heavily depreciated, and then square off with a few cents in the dollar! A commission of bankruptcy is the remedy for this evil; assignees of the effects of the bank are the persons to make these owners, and managers, and chief debtors to the institutions, pay up. Under the bankrupt law, every holder of a note, no matter how small in amount, nor how distant the holder may reside, on forwarding the note to the assignees, will receive his ratable proportion of the bank's effects, without expense, and without trouble to himself. It is a most potent, a most proper, and most constitutional remedy against delinquent banks. It is an equitable and a brave remedy. It does honor to the President who recommended it, and is worthy of the successor of Jackson.

Senators upon this floor have ventured the expression of an opinion that there can be no resumption of specie payments in this country until a national bank shall be established, meaning, all the while, until the present miscalled Bank of the United States shall be rechartered. Such an opinion is humiliating to this government, and a reproach upon the memory of its founders. It is tantamount to a declaration that the government, framed by the heroes and sages of the Revolution, is incapable of self-preservation; that it is a miserable image of imbecility, and must take refuge in the embraces of a moneyed corporation, to enable it to survive its infirmities. The humiliation of such a thought should expel it from the imagination of every patriotic mind. Nothing but a dire necessity – a last, a sole, an only alternative – should bring this government to the thought of leaning upon any extraneous aid. But here is no necessity, no reason, no pretext, no excuse, no apology, for resorting to collateral aid; and, above all, to the aid of a master in the shape of a national bank. The granted powers of the government are adequate to the coercion of all the banks. As banks, the federal government has no direct authority over them; but as bankrupts, it has them in its own hands. It can pass bankrupt laws for these delinquent institutions. It can pass such laws either with or without including merchants and traders; and the day for such law to take effect, will be the day for the resumption of specie payments by every solvent bank, and the day for the extinction of the abused privileges of every insolvent one. So far from requiring the impotent aid of the miscalled Bank of the United States to effect a resumption, that institution will be unable to prevent a resumption. Its veto power over other banks will cease; and it will itself be compelled to resume specie payment, or die!

Besides these great objects to be attained by the application of a bankrupt law to banking corporations, there are other great purposes to be accomplished, and some most sacred duties to be fulfilled, by the same means. Our constitution contains three most vital prohibitions, of which the federal government is the guardian and the guarantee, and which are now publicly trodden under foot. No State shall emit bills of credit; no State shall make any thing but gold and silver coin a tender in payment of debts; no State shall pass any law impairing the obligation of contracts. No State shall do these things. So says the constitution under which we live, and which it is the duty of every citizen to protect, preserve, and defend. But a new power has sprung up among us, and has annulled the whole of these prohibitions. That new power is the oligarchy of banks. It has filled the whole land with bills of credit; for it is admitted on all hands that bank notes, not convertible into specie, are bills of credit. It has suppressed the constitutional currency, and made depreciated paper money a forced tender in payment of every debt. It has violated all its own contracts, and compelled all individuals, and the federal government and State governments, to violate theirs; and has obtained from sovereign States an express sanction, or a silent acquiescence, in this double violation of sacred obligations, and in this triple annulment of constitutional prohibitions. It is our duty to bring, or to try to bring, this new power under subordination to the laws and the government. It is our duty to go to the succor of the constitution – to rescue, if possible, these prohibitions from daily, and public and permanent infraction. The application of the bankrupt law to this new power, is the way to effect this rescue – the way to cause these vital prohibitions to be respected and observed, and to do it in a way to prevent

collisions between the States and the federal government. The prohibitions are upon the States; it is they who are not to do these things, and, of course, are not to authorize others to do what they cannot do themselves. The banks are their delegates in this three-fold violation of the constitution; and, in proceeding against these delegates, we avoid collision with the States.

Mr. President, every form of government has something in it to excite the pride, and to rouse the devotion, of its citizens. In monarchies, it is the authority of the king; in republics, it is the sanctity of the laws. The loyal subject makes it the point of honor to obey the king; the patriot republican makes it his glory to obey the laws. We are a republic. We have had illustrious citizens, conquering generals, and victorious armies; but no citizen, no general, no army, has undertaken to dethrone the laws and to reign in their stead. This parricidal work has been reserved for an oligarchy of banks! Three times, in thrice seven years, this oligarchy has dethroned the law, and reigned in its place. Since May last, it has held the sovereign sway, and has not yet vouchsafed to indicate the day of its voluntary abdication. The Roman military dictators usually fixed a term to their dictatorships. I speak of the usurpers, not of the constitutional dictators for ten days. These usurpers usually indicated a time at which usurpation should cease, and law and order again prevail. Not so with this new power which now lords it over our America. They fix no day; they limit no time; they indicate no period for their voluntary descent from power, and for their voluntary return to submission to the laws. They could agree in the twinkling of an eye – at the drop of a hat – at the crook of a finger – to usurp the sovereign power; they cannot agree, in four months, to relinquish it. They profess to be willing, but cannot agree upon the time. Let us perform that service for them. Let us name a day. Let us fix it in a bankrupt law. Let us pass that law, and fix a day for it to take effect; and that day will be the day for the resumption of specie payments, or for the trial of the question of permanent supremacy between the oligarchy of banks, and the constitutional government of the people.

We are called upon to have mercy upon the banks; the prayer should rather be to them, to have mercy upon the government and the people. Since May last the ex-deposit banks alone have forced twenty-five millions of depreciated paper through the federal government upon its debtors and the States, at a loss of at least two and a half millions to the receivers, and a gain of an equal amount to the payers. The thousand banks have the country and the government under their feet at this moment, owing to the community upwards of an hundred millions of dollars, of which they will pay nothing, not even ninepences, picayunes, and coppers. Metaphorically, if not literally, they give their creditors more kicks than coppers. It is for them to have mercy on us. But what is the conduct of government towards these banks? Even at this session, with all their past conduct unatoned for, we have passed a relief bill for their benefit – a bill to defer the collection of the large balance which they still owe the government. But there is mercy due in another quarter – upon the people, suffering from the use of irredeemable and depreciated paper – upon the government, reduced to bankruptcy – upon the character of the country, suffering in the eyes of Europe – upon the character of republican government, brought into question by the successful usurpation of these institutions. This last point is the sorest. Gentlemen speak of the failure of experiments – the failure of the specie experiment, as it is called by those who believe that paper is the ancient and universal money of the world; and that the use of a little specie for the first time is not to be attempted. They dwell upon the supposed failure of "the experiment;" while all the monarchists of Europe are rejoicing in the failure of the experiment of republican government, at seeing this government, the last hope of the liberal world, struck and paralyzed by an oligarchy of banks – seized by the throat, throttled and held as a tiger would hold a babe – stripped of its revenues, bankrupted, and subjected to the degradation of becoming their engine to force their depreciated paper upon helpless creditors. Here is the place for mercy – upon the people – upon the government – upon the character of the country – upon the character of republican government.

The apostle of republicanism, Mr. Jefferson, has left it as a political legacy to the people of the United States, never to suffer their government to fall under the control of any unauthorized,

irresponsible, or self-created institutions of bodies whatsoever. His allusion was to the Bank of the United States, and its notorious machinations to govern the elections, and get command of the government; but his admonition applies with equal force to all other similar or affiliated institutions; and, since May last, it applies to the whole league of banks which then "shut up the Treasury," and reduced the government to helpless dependence.

It is said that bankruptcy is a severe remedy to apply to banks. It may be answered that it is not more severe here than in England, where it applies to all banks of issue, except the Bank of England, and a few others; and it is not more severe to them than it is to merchants and traders, and to bankers and brokers, and all unincorporated banks. Personally, I was disposed to make large allowances for the conduct of the banks. Our own improvidence tempted them into an expansion of near forty millions, in 1835 and 1836, by giving them the national domain to bank upon; a temptation which they had not the fortitude to resist, and which expanded them to near the bursting point. Then they were driven almost to a choice of bankruptcy between themselves and their debtors, by the act which required near forty millions to be distributed in masses, and at brief intervals, among the States. Some failures were inevitable under these circumstances, and I was disposed to make liberal allowances for them; but there are three things for which the banks have no excuse, and which should forever weigh against their claims to favor and confidence. These things are, first, the political aspect which the general suspension of payment was permitted to assume, and which it still wears; secondly, the issue and use of shinplasters, and refusal to pay silver change, when there are eighty millions of specie in the country; thirdly, the refusal, by the deposit banks to pay out the sums which had been severed from the Treasury, and stood in the names of disbursing officers, and was actually due to those who were performing work and labor, and rendering daily services to the government. For these three things there is no excuse; and, while memory retains their recollection, there can be no confidence in those who have done them.

CHAPTER XV.
DIVORCE OF BANK AND STATE: MR. BENTON'S SPEECH

The bill is to divorce the government from the banks, or rather is to declare the divorce, for the separation has already taken place by the operation of law and by the delinquency of the banks. The bill is to declare the divorce; the amendment is to exclude their notes from revenue payments, not all at once, but gradually, and to be accomplished by the 1st day of January, 1841. Until then the notes of specie-paying banks may be received, diminishing one-fourth annually; and after that day, all payments to and from the federal government are to be made in hard money. Until that day, payments from the United States will be governed by existing laws. The amendment does not affect the Post Office department until January, 1841; until then, the fiscal operations of that Department remain under the present laws; after that day they fall under the principle of the bill, and all payments to and from that department will be made in hard money. The effect of the whole amendment will be to restore the currency of the constitution to the federal government – to re-establish the great acts of 1789 and of 1800 – declaring that the revenues should be collected in gold and silver coin only; those early statutes which were enacted by the hard money men who made the constitution, who had seen and felt the evils of that paper money, and intended to guard against these evils in future by creating, not a paper, but a hard-money government.

I am for this restoration. I am for restoring to the federal treasury the currency of the constitution. I am for carrying back this government to the solidity projected by its founders. This is a great object in itself – a reform of the first magnitude – a reformation with healing on its wings, bringing safety to the government and blessings to the people. The currency is a thing which reaches every individual, and every institution. From the government to the washer-woman, all are reached by it, and all concerned in it; and, what seems parodoxical, all are concerned to the same degree; for all are concerned to the whole extent of their property and dealings; and all is all, whether it be much or little. The government with its many ten millions of revenue, suffers no more in proportion than the humble and meritorious laborer who works from sun to sun for the shillings which give food and raiment to his family. The federal government has deteriorated the currency, and carried mischief to the whole community, and lost its own revenues, and subjected itself to be trampled upon by corporations, by departing from the constitution, and converting this government from a hard-money to a paper money government. The object of the amendment and the bill is to reform these abuses, and it is a reform worthy to be called a reformation – worthy to engage the labor of patriots – worthy to unite the exertions of different parties – worthy to fix the attention of the age – worthy to excite the hopes of the people, and to invoke upon its success the blessings of heaven.

Great are the evils, – political, pecuniary, and moral, – which have flowed from this departure from our constitution. Through the federal government alone – through it, not by it – two millions and a half of money have been lost in the last four months. Thirty-two millions of public money was the amount in the deposit banks when they stopped payment; of this sum twenty-five millions have been paid over to government creditors, or transferred to the States. But how paid, and how transferred? In what? In real money, or its equivalent? Not at all! But in the notes of suspended banks – in notes depreciated, on an average, ten per cent. Here then were two and a half millions lost. Who bore the loss? The public creditors and the States. Who gained it? for where there is a loss to one, there must be a gain to another. Who gained the two and a half millions, thus sunk upon the hands of the creditors and the States? The banks were the gainers; they gained it; the public creditors and the States lost it; and to the creditors it was a forced loss. It is in vain to say that they consented to take it. They had no alternative. It was that or nothing. The banks forced it upon the government; the government forced

it upon the creditor. Consent was out of the question. Power ruled, and that power was in the banks; and they gained the two and a half millions which the States and the public creditors lost.

I do not pretend to estimate the moneyed losses, direct and indirect, to the government alone, from the use of local bank notes in the last twenty-five years, including the war, and covering three general suspensions. Leaving the people out of view, as a field of losses beyond calculation, I confine myself to the federal government, and say, its losses have been enormous, prodigious, and incalculable. We have had three general stoppages of the local banks in the short space of twenty-two years. It is at the average rate of one in seven years; and who is to guaranty us from another, and from the consequent losses, if we continue to receive their bills in payment of public dues? Another stoppage must come, and that, reasoning from all analogies, in less than seven years after the resumption. Many must perish in the attempt to resume, and would do better to wind up at once, without attempting to go on, without adequate means, and against appalling obstacles. Another revulsion must come. Thus it was after the last resumption. The banks recommenced payments in 1817 – in two years, the failures were more disastrous than ever. Thus it was in England after the long suspension of twenty-six years. Payments recommenced in 1823 – in 1825 the most desolating crash of banks took place which had ever been known in the kingdom, although the Bank of England had imported, in less than four years, twenty millions sterling in gold, – about one hundred millions of dollars, to recommence upon. Its effects reached this country, crushed the cotton houses in New Orleans, depressed the money market, and injured all business.

The senators from New York and Virginia (Messrs. Tallmadge and Rives) push this point of confidence a little further; they address a question to me, and ask if I would lose confidence in all steamboats, and have them all discarded, if one or two blew up in the Mississippi? I answer the question in all frankness, and say, that I should not. But if, instead of one or two in the Mississippi, all the steamboats in the Union should blow up at once – in every creek, river and bay – while all the passengers were sleeping in confidence, and the pilots crying out all is well; if the whole should blow up from one end of the Union to the other just as fast as they could hear each other's explosions; then, indeed, I should lose confidence in them, and never again trust wife, or child, or my own foot, or any thing not intended for destruction, on board such sympathetic and contagious engines of death. I answer further, and tell the gentlemen, that if only one or two banks had stopped last May in New York, I should not have lost all confidence in the remaining nine hundred and ninety-nine; but when the whole thousand stopped at once; tumbled down together – fell in a lump – lie there – and when ONE of their number, by a sign with the little finger, can make the whole lie still, then, indeed, confidence is gone! And this is the case with the banks. They have not only stopped altogether, but in a season of profound peace, with eighty millions of specie in the country, and just after the annual examinations by commissioners and legislative committees, and when all was reported well. With eighty millions in the country, they stop even for change! It did not take a national calamity – a war – to stop them! They fell in time of peace and prosperity! We read of people in the West Indies, and in South America, who rebuild their cities on the same spot where earthquakes had overthrown them; we are astonished at their fatuity; we wonder that they will build again on the same perilous foundations. But these people have a reason for their conduct; it is, that their cities are only destroyed by earthquakes; it takes an earthquake to destroy them; and when there is no earthquake, they are safe. But suppose their cities fell down without any commotion in the earth, or the air – fell in a season of perfect calm and serenity – and after that the survivors should go to building again in the same place; would not all the world say that they were demented, and were doomed to destruction? So of the government of the United States by these banks. If it continues to use them, and to receive their notes for revenue, after what has happened, and in the face of what now exists, it argues fatuity, and a doom to destruction.

Resume when they will, or when they shall, and the longer it is delayed the worse for themselves, the epoch of resumption is to be a perilous crisis to many. This stopping and resuming by banks,

is the realization of the poetical description of the descent into hell, and the return from it. *Facilis descensus Averni – sed revocare gradum – hic opus, hic labor est.* Easy is the descent into the regions below, but to return! this is work, this is labor indeed! Our banks have made the descent; they have gone down with ease; but to return – to ascend the rugged steps, and behold again the light above how many will falter, and fall back into the gloomy regions below.

Banks of circulation are banks of hazard and of failure. It is an incident of their nature. Those without circulation rarely fail. That of Venice has stood seven hundred years; those of Hamburgh, Amsterdam, and others, have stood for centuries. The Bank of England, the great mother of banks of circulation, besides an actual stoppage of a quarter of a century, has had her crisis and convulsion in average periods of seven or eight years, for the last half century – in 1783, '93, '97, 1814, '19, '25, '36 – and has only been saved from repeated failure by the powerful support of the British government, and profuse supplies of exchequer bills. Her numerous progeny of private and joint stock banks of circulation have had the same convulsions; and not being supported by the government, have sunk by hundreds at a time. All the banks of the United States are banks of circulation; they are all subject to the inherent dangers of that class of banks, and are, besides, subject to new dangers peculiar to themselves. From the quantity of their stock held by foreigners, the quantity of other stocks in their hands, and the current foreign balance against the United States, our paper system has become an appendage to that of England. As such, it suffers from sympathy when the English system suffers. In addition to this, a new doctrine is now broached – that our first duty is to foreigners! and, upon this principle, when the banks of the two countries are in peril, ours are to be sacrificed to save those of England!

The power of a few banks over the whole presents a new feature of danger in our system. It consolidates the banks of the whole Union into one mass, and subjects them to one fate, and that fate to be decided by a few, without even the knowledge of the rest. An unknown divan of bankers sends forth an edict which sweeps over the empire, crosses the lines of States with the facility of a Turkish firman, prostrating all State institutions, breaking up all engagements, and levelling all law before it. This is consolidation of a kind which the genius of Patrick Henry had not even conceived. But while this firman is thus potent and irresistible for prostration, it is impotent and powerless for resurrection. It goes out in vain, bidding the prostrate banks to rise. A *veto* power intervenes. One voice is sufficient to keep all down; and thus we have seen one word from Philadelphia annihilate the New York proposition for resumption, and condemn the many solvent banks to the continuation of a condition as mortifying to their feelings as it is injurious to their future interests.

Again, from the mode of doing business among our banks – using each other's paper to bank upon, instead of holding each other to weekly settlements, and liquidation of balances in specie, and from the fatal practice of issuing notes at one place, payable at another – our banks have all become links of one chain, the strength of the whole being dependent on the strength of each. A few govern all. Whether it is to fail, or to resume, the few govern; and not only the few, but the weak. A few weak banks fail; a panic ensues, and the rest shut up; many strong ones are ready to resume; the weak are not ready, and the strong must wait. Thus the principles of safety, and the rules of government, are reversed. The weak govern the strong; the bad govern the good; and the insolvent govern the solvent. This is our system, if system it can be called, which has no feature of consistency, no principle of safety, and which is nothing but the floating appendage of a foreign and overpowering system.

The federal government and its creditors have suffered great pecuniary losses from the use of these banks and their paper; they must continue to sustain such losses if they continue to use such depositories and to receive such paper. The pecuniary losses have been, now are, and must be hereafter great; but, great as they have been, now are, and may be hereafter, all that loss is nothing compared to the political dangers which flow from the same source. These dangers affect the life of the government. They go to its existence. They involve anarchy, confusion, violence, dissolution! They go to deprive the government of support – of the means of living; they strip it in an instant of

every shilling of revenue, and leave it penniless, helpless, lifeless. The late stoppage might have broken up the government, had it not been for the fidelity and affection of the people to their institutions and the eighty millions of specie which General Jackson had accumulated in the country. That stoppage presented a peculiar feature of peril which has not been brought to the notice of the public; it was the stoppage of the sums standing in the names of disbursing officers, and wanted for daily payments in all the branches of the public service. – These sums amounted to about five millions of dollars. They had been drawn from the Treasury, they were no longer standing to the credit of the United States; they had gone into the hands of innumerable officers and agents, in all parts of the Union, and were temporarily, and for mere safe-keeping from day to day, lodged with these deposit banks, to be incessantly paid out to those who were doing work and labor, performing contracts, or rendering service, civil or military, to the country. These five millions were stopped with the rest! In an instant, as if by enchantment, every disbursing officer, in every part of the Union, was stripped of the money which he was going to pay out! All officers of the government, high and low, the whole army and navy, all the laborers and contractors, post offices and all, were suddenly, instantaneously, left without pay; and consequently without subsistence. It was tantamount to a disbandment of the entire government. It was like a decree for the dissolution of the body politic. It was celebrated as a victory – as a conquest – as a triumph, over the government. The least that was expected was an immediate civil revolution – the overthrow of the democratic party, the change of administration, the reascension of the federal party to power, and the re-establishment of the condemned Bank of the United States. These consequences were counted upon; and that they did not happen was solely owing to the eighty millions of hard money which kept up a standard of value in the country, and prevented the dishonored bank notes from sinking too low to be used by the community. But it is not merely stoppage of the banks that we have to fear: collisions with the States may ensue. State legislatures may sanction the stoppage, withhold the poor right of suing, and thus interpose their authority between the federal government and its revenues. This has already happened, not in hostility to the government, but in protection of themselves; and the consequence was the same as if the intention had been hostile. It was interposition between the federal government and its depositories; it was deprivation of revenue; it was an act the recurrence of which should be carefully guarded against in future.

This is what we have seen; this is a danger which we have just escaped; and if these banks shall be continued as depositories of public money, or, which is just the same thing, if the government shall continue to receive their "paper promises to pay," the same danger may be seen again, and under far more critical circumstances. A similar stoppage of the banks may take place again – will inevitably take place again – and it may be when there is little specie in the country, or when war prevails. All history is full of examples of armies and navies revolting for want of pay; all history is full of examples of military and naval operations miscarried for want of money; all history is full of instances of governments overturned from deficits of revenue and derangements of finances. And are we to expose ourselves recklessly, and with our eyes open, to such dangers? And are we to stake the life and death of this government upon the hazards and contingencies of banking – and of such banking as exists in these United States? Are we to subject the existence of this government to the stoppages of the banks, whether those stoppages result from misfortune, improvidence, or bad faith? Are we to subject this great and glorious political fabric, the work of so many wise and patriotic heads, to be demolished in an instant, and by an unseen hand? Are we to suffer the machinery and the working of our boasted constitution to be arrested by a spring-catch, applied in the dark? Are men, with pens sticking behind their ears, to be allowed to put an end to this republic? No, sir! never. If we are to perish prematurely, let us at least have a death worthy of a great nation; let us at least have a field covered with the bodies of heroes and of patriots, and consecrated forever to the memory of a subverted empire. Rome had her Pharsalia – Greece her Chæronca – and many barbarian kingdoms have given immortality to the spot on which they expired; and shall this great republic be subjected to extinction on the contingencies of trade and banking?

But what excuse, what apology, what justification have we for surrendering, abandoning, and losing the precise advantage for which the present constitution was formed? What was that advantage – what the leading and governing object, which led to the abandonment of the old confederation, and induced the adoption of the present form of government? It was revenue! independent revenue! a revenue under the absolute control of this government, and free from the action of the States. This was the motive – the leading and the governing motive – which led to the formation of this government. The reason was, that the old confederation, being dependent upon the States, was often left without money. This state of being was incompatible with its existence; it deprived it of all power; its imbecility was a proverb. To extricate it from that condition was the design – and the cardinal design – of the new constitution. An independent revenue was given to it – independent, even, of the States. Is it not suicidal to surrender that independence, and to surrender it, not to States, but to money corporations? What does history record of the penury and moneyed destitution of the old confederation, comparable to the annihilation of the revenues of this government in May last? when the banks shut down, in one night, upon a revenue, in hand, of thirty-two millions; even upon that which was in the names of disbursing officers, and refuse a nine-pence, or a picaillon in money, from that day to this? What is there in the history of the old confederation comparable to this? The old confederation was often reduced low – often near empty-handed – but never saw itself stripped in an instant, as if by enchantment, of tens of millions, and heard the shout of triumph thundered over its head, and the notes of exultation sung over its supposed destruction! Yet, this is what we have seen – what we now see – from having surrendered to corporations our moneyed independence, and unwisely abandoned the precise advantage which led to the formation of this federal government.

I do not go into the moral view of this question. It is too obvious, too impressive, too grave, to escape the observation of any one. Demoralization follows in the train of an unconvertible paper money. The whole community becomes exposed to a moral pestilence. Every individual becomes the victim of some imposition; and, in self-defence, imposes upon some one else. The weak, the ignorant, the uninformed, the necessitous, are the sufferers; the crafty and the opulent are the gainers. The evil augments until the moral sense of the community, revolting at the frightful accumulation of fraud and misery, applies the radical remedy of total reform.

Thus, pecuniary, political, and moral considerations require the government to retrace its steps, to return to first principles, and to restore its fiscal action to the safe and solid path of the constitution. Reform is demanded. It is called for by every public and by every private consideration. Now is the time to make it. The connection between Bank and State is actually dissolved. It is dissolved by operation of law, and by the delinquency of these institutions. They have forfeited the right to the deposits, and lost the privilege of paying the revenue in their notes, by ceasing to pay specie. The government is now going on without them, and all that is wanting is the appropriate legislation to perpetuate the divorce which, in point of fact, has already taken place. Now is the time to act; this the moment to restore the constitutional currency to the federal government; to restore the custody of the public moneys to national keepers; and to avoid, in time to come, the calamitous revulsions and perilous catastrophes of 1814, 1819, and 1837.

And what is the obstacle to the adoption of this course, so imperiously demanded by the safety of the republic and the welfare of the people, and so earnestly recommended to us by the chief magistrate? What is the obstacle – what the power that countervails the Executive recommendation, paralyzes the action of Congress, and stays the march of reform? The banks – the banks – the banks, are this obstacle, and this power. They set up the pretension to force their paper into the federal Treasury, and to force themselves to be constituted that Treasury. Though now bankrupt, their paper dishonored, their doors closed against creditors, every public and every private obligation violated, still they arrogate a supremacy over this federal government; they demand the guardianship of the public moneys, and the privilege of furnishing a federal currency; and, though too weak to pay their

debts, they are strong enough to throttle this government, and to hold in doubtful suspense the issue of their vast pretensions.

The President, in his message, recommends four things: first, to discontinue the reception of local bank paper in payment of federal dues; secondly, to discontinue the same banks as depositories of the public moneys; thirdly, to make the future collection and disbursement of the public moneys in gold and silver; fourthly, to take the keeping of the public moneys into the hands of our own officers.

What is there in this but a return to the words and meaning of the constitution, and a conformity to the practice of the government in the first years of President Washington's administration? When this federal government was first formed, there was no Bank of the United States, and no local banks, except three north of the Potomac. By the act of 1789, the revenues were directed to be collected in gold and silver coin only; and it was usually drawn out of the hands of collectors by drafts drawn upon them, payable at sight. It was a most effectual way of drawing money out of their hands; far more so than an order to deposit in banks; for the drafts must be paid, or protested, at sight, while the order to deposit may be eluded under various pretexts.

The right and the obligation of the government to keep its own moneys in its own hands, results from first principles, and from the great law of self-preservation. Every thing else that belongs to her, she keeps herself; and why not keep that also, without which every thing else is nothing? Arms and ships – provisions, munitions, and supplies of every kind – are kept in the hands of government officers; money is the sinew of war, and why leave this sinew exposed to be cut by any careless or faithless hand? Money is the support and existence of the government – the breath of its nostrils, and why leave this support – this breath – to the custody of those over whom we have no control? How absurd to place our ships, our arms, our military and naval supplies in the hands of those who could refuse to deliver them when requested, and put the government to a suit at law to recover their possession! Every body sees the absurdity of this; but to place our money in the same condition, and, moreover, to subject it to the vicissitudes of trade and the perils of banking, is still more absurd; for it is the life blood, without which the government cannot live – the oil, without which no part of its machinery can move.

England, with all her banks, trusts none of them with the collection, keeping, and disbursement of her public moneys. The Bank of England is paid a specific sum to manage the public debt; but the revenue is collected and disbursed through subordinate collectors and receivers general; and these receivers general are not subject to the bankrupt laws, because the government will not suffer its revenue to be operated upon by any law except its own will. In France, subordinate collectors and receivers general collect, keep, and disburse the public moneys. If they deposit any thing in banks, it is at their own risk. It is the same thing in England. A bank deposit by an officer is at the risk of himself and his securities. Too much of the perils and vicissitudes of banking is known in these countries to permit the government ever to jeopard its revenues in their keeping. All this is shown, fully and at large, in a public document now on our tables. And who does not recognize in these collectors and receivers general of France and England, the ancient Roman officers of quæstors and proquæstors? These fiscal officers of France and England are derivations from the Roman institutions; and the same are found in all the modern kingdoms of Europe which were formerly, like France and Britain, provinces of the Roman empire. The measure before the Senate is to enable us to provide for our future safety, by complying with our own constitution, and conforming to the practice of all nations, great or small, ancient or modern.

Coming nearer home, and looking into our own early history, what were the "continental treasurers" of the confederation, and the "provincial treasurers and collectors," provided for as early as July, 1775, but an imitation of the French and English systems, and very near the plan which we propose now to re-establish! These continental treasurers, and there were two of them at first, though afterwards reduced to one, were the receivers general; the provincial treasurers and collectors were their subordinates. By these officers the public moneys were collected, kept, and disbursed; for there

were no banks then! and all government drafts were drawn directly upon these officers. This simple plan worked well during the Revolution, and afterwards, until the new government was formed; and continued to work, with a mere change of names and forms, during the first years of Washington's administration, and until General Hamilton's bank machinery got into play. This bill only proposes to re-establish, in substance, the system of the Revolution, of the Congress of the confederation, and of the first years of Washington's administration.

The bill reported by the chairman of the Committee on Finance [Mr. Wright of New York] presents the details of the plan for accomplishing this great result. That bill has been printed and read. Its simplicity, economy, and efficiency strike the sense of all who hear it, and annihilate without argument, the most formidable arguments of expense and patronage, which had been conceived against it. The present officers, the present mints, and one or two more mints in the South, in the West, and in the North, complete the plan. There will be no necessity to carry masses of hard money from one quarter of the Union to another. Government drafts will make the transfer without moving a dollar. A government draft upon a national mint, will be the highest order of bills of exchange. Money wanted by the government in one place, will be exchanged, through merchants, for money in another place. Thus it has been for thousands of years, and will for ever be. We read in Cicero's letters that, when he was Governor of Cilicia, in Asia Minor, he directed his *quæstor* to deposit the tribute of the province in Antioch, and exchange it for money in Rome with merchants engaged in the Oriental trade, of which Antioch was one of the emporiums. This is the natural course of things, and is too obvious to require explanation, or to admit of comment.

We are taunted with these treasury notes; it seems to be matter of triumph that the government is reduced to the necessity of issuing them; but with what justice? And how soon can any government that wishes it, emerge from the wretchedness of depreciated paper, and stand erect on the solid foundations of gold and silver? How long will it take any respectable government, that so wills it, to accomplish this great change? Our own history, at the close of the Revolution, answers the question; and more recently, and more strikingly, the history of France answers it also. I speak of the French finances from 1800 to 1807; from the commencement of the consulate to the peace of Tilsit. This wonderful period is replete with instruction on the subject of finance and currency. The whole period is full of instruction; but I can only seize two views – the beginning and the end – and, for the sake of precision, will read what I propose to present. I read from Bignon, author of the civil and diplomatic history of France during the consulate and the first years of the empire; written at the testamentary request of the Emperor himself.

After stating that the expenditures of the republic were six hundred millions of francs – about one hundred and ten millions of dollars – when Bonaparte became First Consul, the historian proceeds:

> "At his arrival at power, a sum of 160,000 francs in money [about $32,000] was all that the public chests contained. In the impossibility of meeting the current service by the ordinary receipts, the Directorial Government had resorted to ruinous expedients, and had thrown into circulation bills of various values, and which sunk upon the spot fifty to eighty per cent. A part of the arrearages had been discharged in bills two-thirds on credit, payable to the bearer, but which, in fact, the treasury was not able to pay when due. The remaining third had been inscribed in the great book, under the name of consolidated third. For the payment of the forced requisitions to which they had been obliged to have recourse, there had been issued bills receivable in payment of the revenues. Finally, the government, in order to satisfy the most imperious wants, gave orders upon the receivers general, delivered in advance to contractors, which they negotiated before they began to furnish the supplies for which they were the payment."

This, resumed Mr. B., was the condition of the French finances when Bonaparte became First Consul at the close of the year 1799. The currency was in the same condition – no specie – a degraded currency of assignats, ruinously depreciated, and issued as low as ten sous. That great man immediately began to restore order to the finances, and solidity to the currency. Happily a peace of three years enabled him to complete the great work, before he was called to celebrate the immortal campaigns ending at Austerlitz, Jena, and Friedland. At the end of three years – before the rupture of the peace of Amiens – the finances and the currency were restored to order and to solidity; and, at the end of six years, when the vast establishments, and the internal ameliorations of the imperial government, had carried the annual expenses to eight hundred millions of francs, about one hundred and sixty millions of dollars; the same historian copying the words of the Minister of Finance, thus speaks of the treasury, and the currency:

> "The resources of the State have increased beyond its wants; the public chests are full; all payments are made at the day named; the orders upon the public treasury have become the most approved bills of exchange. The finances are in the most happy condition; France alone, among all the States of Europe, has no paper money."

What a picture! how simply, how powerfully drawn! and what a change in six years! Public chests full – payments made to the day – orders on the treasury the best bills of exchange – France alone, of all Europe, having no paper money; meaning no government paper money, for there were bank notes of five hundred francs, and one thousand francs. A government revenue of one hundred and sixty millions of dollars was paid in gold and silver; a hard money currency, of five hundred and fifty millions of dollars, saturated all parts of France with specie, and made gold and silver the every day currency of every man, woman and child, in the empire. These great results were the work of six years, and were accomplished by the simple process of gradually requiring hard money payments – gradually calling in the assignats – increasing the branch mints to fourteen, and limiting the Bank of France to an issue of large notes – five hundred francs and upwards. This simple process produced these results, and thus stands the French currency at this day; for the nation has had the wisdom to leave untouched the financial system of Bonaparte.

I have repeatedly given it as my opinion – many of my speeches declare it – that the French currency is the best in the world. It has hard money for the government; hard money for the common dealings of the people; and large notes for large transactions. This currency has enabled France to stand two invasions, the ravaging of 300,000 men, two changes of dynasty, and the payment of a *milliard* of contributions; and all without any commotion or revulsion in trade. It has saved her from the revulsions which have afflicted England and our America for so many years. It has saved her from expansions, contractions, and ruinous fluctuations of price. It has saved her, for near forty years, from a debate on currency. It has saved her even from the knowledge of our sweet-scented phrases: "sound currency – unsound currency; plethoric, dropsical, inflated, bloated; the money market tight to-day – a little easier this morning;" and all such verbiage, which the haberdashers' boys repeat. It has saved France from even a discussion on currency; while in England, and with us, it is banks! banks! banks! – morning, noon, and night; breakfast, dinner, and supper; levant, and couchant; sitting, or standing; at home, or abroad; steamboat, or railroad car; in Congress, or out of Congress, it is all the same thing: banks – banks – banks; currency – currency – currency; meaning, all the while, paper money and shin-plasters; until our very brains seem as if they would be converted into lampblack and rags.

The bill before the Senate dispenses with the further use of banks as depositories of the public moneys. In that it has my hearty concurrence. Four times heretofore, and on four different occasions, I have made propositions to accomplish a part of the same purpose. *First*, in proposing an amendment to the deposit bill of 1836, by which the mint, and the branch mints, were to be included in the list of depositories; *secondly*, in proposing that the public moneys here, at the seat of Government, should be kept and paid out by the Treasurer; *thirdly*, by proposing that a preference, in receiving the deposits,

should be given to such banks as should cease to be banks of circulation; *fourthly*, in opposing the establishment of a bank agency in Missouri, and proposing that the moneys there should be drawn direct from the hands of the receivers. Three of these propositions are now included in the bill before the Senate; and the whole object at which they partially aimed is fully embraced. I am for the measure – fully, cordially, earnestly for it.

Congress has a sacred duty to perform in reforming the finances, and the currency; for the ruin of both has resulted from federal legislation, and federal administration. The States at the formation of the constitution, delivered a solid currency – I will not say sound, for that word implies subject to unsoundness, to rottenness, and to death – but they delivered a solid currency, one not liable to disease, to this federal government. They started the new government fair upon gold and silver. The first act of Congress attested this great fact; for it made the revenues payable in gold and silver coin only. Thus the States delivered a solid currency to this government, and they reserved the same currency for themselves; and they provided constitutional sanctions to guard both. The thing to be saved, and the power to save it, was given to this government by the States; and in the hands of this government it became deteriorated. The first great error was General Hamilton's construction of the act of 1789, by which he nullified that act, and overturned the statute and the constitution together. The next great error was the establishment of a national bank of circulation, with authority to pay all the public dues in its own paper. This confirmed the overthrow of the constitution, and of the statute of 1789; and it set the fatal example to the States to make banks, and to receive their paper for public dues, as the United States had done. This was the origin of the evil – this the origin of the overthrow of the solid currency which the States had delivered to the federal government. It was the Hamiltonian policy that did the mischief; and the state of things in 1837, is the natural fruit of that policy. It is time for us to quit it – to return to the constitution and the statute of 1789, and to confine the federal Treasury to the hard money which was intended for it.

I repeat, this is a measure of reform, worthy to be called a reformation. It goes back to a fundamental abuse, nearly coeval with the foundation of the government. Two epochs have occurred for the reformation of this abuse; one was lost, the other is now in jeopardy. Mr. Madison's administration committed a great error at the expiration of the charter of the first Bank of the United States, in not reviving the currency of the constitution for the federal Treasury, and especially the gold currency. That error threw the Treasury back upon the local bank paper. This paper quickly failed, and out of that failure grew the second United States Bank. Those who put down the second United States Bank, warned by the calamity, determined to avoid the error of Mr. Madison's administration: they determined to increase the stock of specie, and to revive the gold circulation, which had been dead for thirty years. The accumulation of eighty millions in the brief space of five years, fifteen millions of it in gold, attest the sincerity of their design, and the facility of its execution. The country was going on at the rate of an average increase of twelve millions of specie per annum, when the general stoppages of the banks in May last, the exportation of specie, and the imposition of irredeemable paper upon the government and the people, seemed to announce the total failure of the plan. But it was a seeming only. The impetus given to the specie policy still prevails, and five millions are added to the stock during the present fiscal year. So far, then, as the counteraction of the government policy, and the suppression of the constitutional currency, might have been expected to result from that stoppage, the calculation seems to be in a fair way to be disappointed. The spirit of the people, and our hundred millions of exportable produce, are giving the victory to the glorious policy of our late illustrious President. The other great consequences expected to result from that stoppage, namely, the recharter of the Bank of the United States, the change of administration, the overthrow of the republican party, and the restoration of the federal dynasty, all seem to be in the same fair way to total miscarriage; but the objects are too dazzling to be abandoned by the party interested, and the destruction of the finances and the currency, is still the cherished road to success. The miscalled Bank of the United States, the soul of the federal dynasty, and the anchor of its hopes – believed by

many to have been at the bottom of the stoppages in May, and known by all to be at the head of non-resumption – now displays her policy on this floor; it is to compel the repetition of the error of Mr. Madison's administration! Knowing that from the repetition of this error must come the repetition of the catastrophes of 1814, 1819, and 1837; and out of these catastrophes to extract a new clamor for the revivification of herself. This is her line of conduct; and to this line, the conduct of all her friends conforms. With one heart, one mind, one voice, they labor to cut off gold and silver from the federal government, and to impose paper upon it! they labor to deprive it of the keeping of its own revenues, and to place them again where they have been so often lost! This is the conduct of that bank and its friends. Let us imitate their zeal, their unanimity, and their perseverance. The amendment and the bill now before the Senate, embodies our policy. Let us carry them, and the republic is safe.

The extra session had been called to relieve the distress of the federal treasury, and had done so by authorizing an issue of treasury notes. That object being accomplished, and the great measures for the divorce of Bank and State, and for the sole use of gold and silver in federal payments, having been recommended, and commenced, the session adjourned.

CHAPTER XVI.
FIRST REGULAR SESSION UNDER MR. VAN BUREN'S ADMINISTRATION: HIS MESSAGE

A brief interval of two months only intervened between the adjournment of the called session and the meeting of the regular one; and the general state of the public affairs, both at home and abroad, being essentially the same at both periods, left no new or extraordinary measures for the President to recommend. With foreign powers we were on good terms, the settlement of all our long-standing complaints under General Jackson's administration having left us free from the foreign controversies which gave trouble; and on that head the message had little but what was agreeable to communicate. Its topics were principally confined to home affairs, and that part of these affairs which were connected with the banks. That of the United States, as it still called itself, gave a new species of disregard of moral and legal obligation, and presented a new mode of depraving the currency and endangering property and contracts, by continuing to issue and to use the notes of the expired institution. Its currency was still that of the defunct bank. It used the dead notes of that institution, for which, of course, neither bank was liable. They were called resurrection notes; and their use, besides the injury to the currency and danger to property, was a high contempt and defiance of the authority which had created it; and called for the attention of the federal government. The President, therefore, thus formally brought the procedure to the notice of Congress:

> "It was my hope that nothing would occur to make necessary, on this occasion, any allusion to the late national bank. There are circumstances, however, connected with the present state of its affairs that bear so directly on the character of the government and the welfare of the citizen, that I should not feel myself excused in neglecting to notice them. The charter which terminated its banking privileges on the 4th of March, 1836, continued its corporate powers two years more, for the sole purpose of closing its affairs, with authority 'to use the corporate name, style, and capacity, for the purpose of suits for a final settlement and liquidation of the affairs and acts of the corporation, and for the sale and disposition of their estate, real, personal and mixed, but for no other purpose or in any other manner whatsoever.' Just before the banking privileges ceased, its effects were transferred by the bank to a new State institution then recently incorporated, in trust, for the discharge of its debts and the settlement of its affairs. With this trustee, by authority of Congress, an adjustment was subsequently made of the large interest which the government had in the stock of the institution. The manner in which a trust unexpectedly created upon the act granting the charter, and involving such great public interests, has been executed, would, under any circumstances, be a fit subject of inquiry; but much more does it deserve your attention, when it embraces the redemption of obligations to which the authority and credit of the United States have given value. The two years allowed are now nearly at an end. It is well understood that the trustee has not redeemed and cancelled the outstanding notes of the bank, but has reissued, and is actually reissuing, since the 3d of March, 1836, the notes which have been received by it to a vast amount. According to its own official statement, so late as the 1st of October last, nineteen months after the banking privileges given by the charter had expired, it had under its control uncancelled notes of the late Bank of the United States to the amount of twenty-seven millions five hundred and sixty-one thousand eight hundred and sixty-six dollars, of which six millions one hundred and seventy-

five thousand eight hundred and sixty-one dollars were in actual circulation, one million four hundred and sixty-eight thousand six hundred and twenty-seven dollars at State bank agencies, and three millions two thousand three hundred and ninety dollars *in transitu*; thus showing that upwards of ten millions and a half of the notes of the old bank were then still kept outstanding. The impropriety of this procedure is obvious: it being the duty of the trustee to cancel and not to put forth the notes of an institution, whose concerns it had undertaken to wind up. If the trustee has a right to reissue these notes now, I can see no reason why it may not continue to do so after the expiration of the two years. As no one could have anticipated a course so extraordinary, the prohibitory clause of the charter above quoted was not accompanied by any penalty or other special provision for enforcing it; nor have we any general law for the prevention of similar acts in future.

"But it is not in this view of the subject alone that your interposition is required. The United States, in settling with the trustee for their stock, have withdrawn their funds from their former direct ability to the creditors of the old bank, yet notes of the institution continue to be sent forth in its name, and apparently upon the authority of the United States. The transactions connected with the employment of the bills of the old bank are of vast extent; and should they result unfortunately, the interests of individuals may be deeply compromised. Without undertaking to decide how far, or in what form, if any, the trustee could be made liable for notes which contain no obligation on its part; or the old bank, for such as are put in circulation after the expiration of its charter, and without its authority; or the government for indemnity, in case of loss, the question still presses itself upon your consideration, whether it is consistent with duty and good faith on the part of the government, to witness this proceeding without a single effort to arrest it."

On the subject of the public lands, and the most judicious mode of disposing of them – a question of so much interest to the new States – the message took the view of those who looked to the domain less as a source of revenue than as a means of settling and improving the country. He recommended graduated prices according to the value of the different classes of lands in order to facilitate their sale; and a prospective permanent pre-emption act to give encouragement to settlers. On the first of these points he said:

"Hitherto, after being offered at public sale, lands have been disposed of at one uniform price, whatever difference there might be in their intrinsic value. The leading considerations urged in favor of the measure referred to, are, that in almost all the land districts, and particularly in those in which the lands have been long surveyed and exposed to sale, there are still remaining numerous and large tracts of every gradation of value, from the government price downwards; that these lands will not be purchased at the government price, so long as better can be conveniently obtained for the same amount; that there are large tracts which even the improvements of the adjacent lands will never raise to that price; and that the present uniform price, combined with their irregular value, operates to prevent a desirable compactness of settlement in the new States, and to retard the full development of that wise policy on which our land system is founded, to the injury not only of the several States where the lands lie, but of the United States as a whole.

"The remedy proposed has been a reduction of prices according to the length of time the lands have been in market, without reference to any other circumstances. The certainty that the efflux of time would not always in such cases, and perhaps not even generally, furnish a true criterion of value; and the probability that persons

> residing in the vicinity, as the period for the reduction of prices approached, would postpone purchases they would otherwise make, for the purpose of availing themselves of the lower price, with other considerations of a similar character, have hitherto been successfully urged to defeat the graduation upon time. May not all reasonable desires upon this subject be satisfied without encountering any of these objections? All will concede the abstract principle, that the price of the public lands should be proportioned to their relative value, so far as that can be accomplished without departing from the rule, heretofore observed, requiring fixed prices in cases of private entries. The difficulty of the subject seems to lie in the mode of ascertaining what that value is. Would not the safest plan be that which has been adopted by many of the States as the basis of taxation; an actual valuation of lands, and classification of them into different rates? Would it not be practicable and expedient to cause the relative value of the public lands in the old districts, which have been for a certain length of time in market, to be appraised, and classed into two or more rates below the present minimum price, by the officers now employed in this branch of the public service, or in any other mode deemed preferable, and to make those prices permanent, if upon the coming in of the report they shall prove satisfactory to Congress? Cannot all the objects of graduation be accomplished in this way, and the objections which have hitherto been urged against it avoided? It would seem to me that such a step, with a restriction of the sales to limited quantities, and for actual improvement, would be free from all just exception."

A permanent prospective pre-emption law was cogently recommended as a measure just in itself to the settlers, and not injurious to the public Treasury, as experience had shown that the auction system – that of selling to the highest bidder above the prescribed minimum price – had produced in its aggregate but a few cents on the acre above the minimum price. On this point he said:

> "A large portion of our citizens have seated themselves on the public lands, without authority, since the passage of the last pre-emption law and now ask the enactment of another, to enable them to retain the lands occupied, upon payment of the minimum government price. They ask that which has been repeatedly granted before. If the future may be judged of by the past, little harm can be done to the interests of the Treasury by yielding to their request. Upon a critical examination, it is found that the lands sold at the public sales since the introduction of cash payments in 1820, have produced, on an average, the net revenue of only six cents an acre more than the minimum government price. There is no reason to suppose that future sales will be more productive. The government, therefore, has no adequate pecuniary interest to induce it to drive these people from the lands they occupy, for the purpose of selling them to others."

This wise recommendation has since been carried into effect, and pre-emptive rights are now admitted in all cases where settlements are made upon lands to which the Indian title shall have been extinguished; and the graduation of the price of the public lands, though a measure long delayed, yet prevailed in the end, and was made as originally proposed, by reductions according to the length of time the land had been offered at sale. Beginning at the minimum price of $1 25 per acre, the reduction of price went down through a descending scale, according to time, as low as 12½ cents per acre. But this was long after.

CHAPTER XVII. PENNSYLVANIA BANK OF THE UNITED STATES. ITS USE OF THE DEFUNCT NOTES OF THE EXPIRED INSTITUTION

History gives many instances of armies refusing to be disbanded, and remaining in arms in defiance of the authority which created them; but the example of this bank presents, probably, the first instance in which a great moneyed corporation refused to be dissolved – refused to cease its operations after its legal existence had expired; – and continued its corporate transactions as if in full life. It has already been shown that its proviso charter, at the end of a local railroad act, made no difference in its condition – that it went on exactly as before. Its use of the defunct notes of the expired institution was a further instance of this conduct, transcending any thing conceived of, and presenting a case of danger to the public, and defiance of government, which the President had deemed it his duty to bring to the attention of Congress, and ask a remedy for a proceeding so criminal. Congress acted on the recommendation, and a bill was brought in to make the repetition of the offence a high misdemeanor, and the officers and managers of the institution personally and individually liable for its commission. In support of this bill, Mr. Buchanan gave the fullest and clearest account of this almost incredible misconduct. He said:

> "The charter of the late Bank of the United States expired, by its own limitation, on the 3d of March, 1836. After that day, it could issue no notes, discount no new paper, and exercise none of the usual functions of a bank. For two years thereafter, until the 3d of March, 1838, it was merely permitted to use its corporate name and capacity 'for the purpose of suits for the final settlement and liquidation of the affairs and accounts of the corporation, and for the sale and disposition of their estate, real, personal, and mixed; *but not for any other purpose, or in any other manner, whatsoever*.' Congress had granted the bank no power to make a voluntary assignment of its property to any corporation or any individual. On the contrary, the plain meaning of the charter was, that all the affairs of the institution should be wound up by its own president and directors. It received no authority to delegate this important trust to others, and yet what has it done? On the second day of March, 1836, one day before the charter had expired, this very president and these directors assigned all the property and effects of the old corporation to the Pennsylvania Bank of the United States. On the same day, this latter bank accepted the assignment, and agreed to 'pay, satisfy, and discharge all debts, contracts, and engagements, owing, entered into, or made by this [the old] bank, as the same shall become due and payable, *and fulfil and execute all trusts and obligations whatsoever arising from its transactions, or from any of them*, so that every creditor or rightful claimant shall be fully satisfied.' By its own agreement, it has thus expressly created itself a trustee of the old bank. But this was not necessary to confer upon it that character. By the bare act of accepting the assignment, it became responsible, under the laws of the land, for the performance of all the duties and trusts required by the old charter. Under the circumstances, it cannot make the slightest pretence of any want of notice.
>
> "Having assumed this responsibility, the duty of the new bank was so plain that it could not have been mistaken. It had a double character to sustain. Under the charter from Pennsylvania, it became a new banking corporation; whilst, under the assignment from the old bank, it became a trustee to wind up the concerns

of that institution under the Act of Congress. These two characters were in their nature separate and distinct, and never ought to have been blended. For each of these purposes it ought to have kept a separate set of books. Above all, as the privilege of circulating bank notes, and thus creating a paper currency is that function of a bank which most deeply and vitally affects the community, the new bank ought to have cancelled or destroyed all the notes of the old bank which it found in its possession on the 4th of March, 1836, and ought to have redeemed the remainder at its counter, as they were demanded by the holders, and then destroyed them. This obligation no senator has attempted to doubt, or to deny. But what was the course of the bank? It has grossly violated both the old and the new charter. It at once declared independence of both, and appropriated to itself all the notes of the old bank, – not only those which were then still in circulation, but those which had been redeemed before it accepted the assignment, and were then lying dead in its vaults. I have now before me the first monthly statement which was ever made by the Bank to the Auditor-general of Pennsylvania. It is dated on the 2d of April, 1836, and signed J. Cowperthwaite, acting cashier. In this statement, the Bank charges itself with 'notes issued,' $36,620,420 16; whilst, in its cash account, along with its specie and the notes of State banks, it credits itself with 'notes of the Bank of the United States and offices,' on hand, $16,794,713 71. It thus seized these dead notes to the amount of $16,794,713 71, and transformed them into cash; whilst the difference between those on hand and those issued, equal to $19,825,706 45, was the circulation which the new bank boasted it had inherited from the old. It thus, in an instant, appropriated to itself, and adopted as its own circulation, all the notes and all the illegal branch drafts of the old bank which were then in existence. Its boldness was equal to its utter disregard of law. In this first return, it not only proclaimed to the Legislature and people of Pennsylvania that it had disregarded its trust as assignee of the old Bank, by seizing upon the whole of the old circulation and converting it to its own use, but that it had violated one of the fundamental provisions of its new charter."

Mr. Calhoun spoke chiefly to the question of the *right* of Congress to pass a bill of the tenor proposed. Several senators denied that right others supported it – among them Mr. Wright, Mr. Grundy, Mr. William H. Roane, Mr. John M. Niles, Mr. Clay, of Alabama, and Mr. Calhoun. Some passages from the speech of the latter are here given.

"He [Mr. Calhoun] held that the right proposed to be exercised in this case rested on the general power of legislation conferred on Congress, which embraces not only the power of making, but that of repealing laws. It was, in fact, a portion of the repealing power. No one could doubt the existence of the right to do either, and that the right of repealing extends as well to unconstitutional as constitutional laws. The case as to the former was, in fact, stronger than the latter; for, whether a constitutional law should be repealed or not, was a question of expediency, which left us free to act according to our discretion; while, in the case of an unconstitutional law, it was a matter of obligation and duty, leaving no option; and the more unconstitutional, the more imperious the obligation and duty. Thus far, there could be no doubt nor diversity of opinion. But there are many laws, the effects of which do not cease with their repeal or expiration, and which require some additional act on our part to arrest or undo them. Such, for instance, is the one in question. The charter of the late bank expired some time ago, but its notes are still in existence, freely circulating from hand to hand, and reissued and banked on by a bank chartered by the State of Pennsylvania, into whose possession the notes of the old bank have

passed. In a word, our name and authority are used almost as freely for banking purposes as they were before the expiration of the charter of the late bank. Now, he held that the right of arresting or undoing these after-effects rested on the same principle as the right of repealing a law, and, like that, embraces unconstitutional as well as constitutional acts, superadding, in the case of the former, obligation and duty to right. We have an illustration of the truth of this principle in the case of the alien and sedition acts, which are now conceded on all sides to have been unconstitutional. Like the act incorporating the late bank, they expired by their own limitation; and, like it, also, their effects continued after the period of their expiration. Individuals had been tried, convicted, fined, and imprisoned under them; but, so far was their unconstitutionality from being regarded as an impediment to the right of arresting or undoing these effects, that Mr. Jefferson felt himself compelled on that very account to pardon those who had been fined and convicted under their provisions, and we have at this session passed, on the same ground, an act to refund the money paid by one of the sufferers under them. The bill is limited to those only who are the trustees, or agents for winding up the concerns of the late bank, and it is those, and those only, who are subject to the penalties of the bill for reissuing its notes. They are, *pro tanto*, our officers, and, to that extent, subject to our jurisdiction, and liable to have their acts controlled as far as they relate to the trust or agency confided to them; just as much so as receivers or collectors of the revenue would be. No one can doubt that we could prohibit them from passing off any description of paper currency that might come into their hands in their official character. Nor is the right less clear in reference to the persons who may be comprehended in this bill. Whether Mr. Biddle or others connected with this bank are, in fact, trustees, or agents, within the meaning of the bill, is not a question for us to decide. They are not named, nor referred to by description. The bill is very properly drawn up in general terms, so as to comprehend all cases of the kind, and would include the banks of the District, should Congress refuse to re-charter them. It is left to the court and jury, to whom it properly belongs, to decide, when a case comes up, whether the party is, or is not, a trustee, or agent; and, of course, whether he is, or is not, included in the provisions of the bill. If he is, he will be subject to its penalties, but not otherwise; and it cannot possibly affect the question of the constitutionality of the bill, whether Mr. Biddle, and others connected with him, are, or are not, comprehended in its provisions, and subject to its penalties."

The bill was severe in its enactments, prescribing both fine and imprisonment for the repetition of the offence – the fine not to exceed ten thousand dollars – the imprisonment not to be less than one nor more than five years. It also gave a preventive remedy in authorizing injunctions from the federal courts to prevent the circulation of such defunct notes, and proceedings in chancery to compel their surrender for cancellation. And to this "complexion" had the arrogant institution come which so lately held itself to be a *power*, and a great one, in the government – now borne on the statute book as criminally liable for a high misdemeanor, and giving its name to a new species of offence in the criminal catalogue – *exhumer and resurrectionist of defunct notes.* And thus ended the last question between the federal government and this, once so powerful moneyed corporation; and certainly any one who reads the history of that bank as faithfully shown in our parliamentary history, and briefly exhibited in this historic View, can ever wish to see another national bank established in our country, or any future connection of any kind between the government and the banks. The last struggle between it and the government was now over – just seven years since that struggle began: but its further conduct will extort a further notice from history.

CHAPTER XVIII.
FLORIDA INDIAN WAR: ITS ORIGIN AND CONDUCT

This was one of the most troublesome, expensive and unmanageable Indian wars in which the United States had been engaged; and from the length of time which it continued, the amount of money it cost, and the difficulty of obtaining results, it became a convenient handle of attack upon the administration; and in which party spirit, in pursuit of its object, went the length of injuring both individual and national character. It continued about seven years – as long as the revolutionary war – cost some thirty millions of money – and baffled the exertions of several generals; recommenced when supposed to be finished; and was only finally terminated by changing military campaigns into an armed occupation by settlers. All the opposition presses and orators took hold of it, and made its misfortunes the common theme of invective and declamation. Its origin was charged to the oppressive conduct of the administration – its protracted length to their imbecility – its cost to their extravagance – its defeats to the want of foresight and care. The Indians stood for an innocent and persecuted people. Heroes and patriots were made of their chiefs. Our generals and troops were decried; applause was lavished upon a handful of savages who could thus defend their country; and corresponding censure upon successive armies which could not conquer them. All this going incessantly into the Congress debates and the party newspapers, was injuring the administration at home, and the country abroad; and, by dint of iteration and reiteration, stood a good chance to become history, and to be handed down to posterity. At the same time the war was one of flagrant and cruel aggression on the part of these Indians. Their removal to the west of the Mississippi was part of the plan for the general removal of all the Indians, and every preparation was complete for their departure by their own agreement, when it was interrupted by a horrible act. It was the 28th day of December, 1835, that the United States agent in Florida, and several others, were suddenly massacred by a party under Osceola, who had just been at the hospitable table with them: at the same time the sutler and others were attacked as they sat at table: same day two expresses were killed: and to crown these bloody deeds, the same day witnessed the destruction of Major Dade's command of 112 men, on its march from Tampa Bay to Withlacootchee. All these massacres were surprises, the result of concert, and executed as such upon unsuspecting victims. The agent (Mr. Thompson), and some friends were shot from the bushes while taking a walk near his house: the sutler and his guests were shot at the dinner table: the express riders were waylaid, and shot in the road: Major Dade's command was attacked on the march, by an unseen foe, overpowered, and killed nearly to the last man. All these deadly attacks took place on the same day, and at points wide apart – showing that the plot was as extensive as it was secret, and cruel as it was treacherous; for not a soul was spared in either of the four relentless attacks.

It was two days after the event that an infantry soldier of Major Dade's command, appeared at Fort King, on Tampa Bay, from which it had marched six days before, and gave information of what had happened. The command was on the march, in open pine woods, tall grass all around, and a swamp on the left flank. The grass concealed a treacherous ambuscade. The advanced guard had passed, and was cut off. Both the advance and the main body were attacked at the same moment, but divided from each other. A circle of fire enclosed each – fire from an invisible foe. To stand, was to be shot down: to advance was to charge upon concealed rifles. But it was the only course – was bravely adopted – and many savages thus sprung from their coverts, were killed. The officers, courageously exposing themselves, were rapidly shot – Major Dade early in the action. At the end of an hour successive charges had roused the savages from the grass, (which seemed to be alive with their naked and painted bodies, yelling and leaping,) and driven beyond the range of shot. But the command was too much weakened for a further operation. The wounded were too numerous to be carried along: too precious to be left behind to be massacred. The battle ground was maintained, and

a small band had conquered respite from attack: but to advance or retreat was equally impossible. The only resource was to build a small pen of pine logs, cut from the forest, collect the wounded and the survivors into it, as into a little fort, and repulse the assailants as long as possible. This was done till near sunset – the action having began at ten in the morning. By that time every officer was dead but one, and he desperately wounded, and helpless on the ground. Only two men remained without wounds, and they red with the blood of others, spirted upon them, or stained in helping the helpless. The little pen was filled with the dead and the dying. The firing ceased. The expiring lieutenant told the survivors he could do no more for them, and gave them leave to save themselves as they could. They asked his advice. He gave it to them; and to that advice we are indebted for the only report of that bloody day's work. He advised them all to lay down among the dead – to remain still – and take their chance of being considered dead. This advice was followed. All became still, prostrate and motionless; and the savages, slowly and cautiously approaching, were a long time before they would venture within the ghastly pen, where danger might still lurk under apparent death. A squad of about forty negroes – fugitives from the Southern States, more savage than the savage – were the first to enter. They came in with knives and hatchets, cutting throats and splitting skulls wherever they saw a sign of life. To make sure of skipping no one alive, all were pulled and handled, punched and kicked; and a groan or movement, an opening of the eye, or even the involuntary contraction of a muscle, was an invitation to the knife and the tomahawk. Only four of the living were able to subdue sensations, bodily and mental, and remain without sign of feeling under this dreadful ordeal; and two of these received stabs, or blows – as many of the dead did. Lying still until the search was over, and darkness had come on, and the butchers were gone, these four crept from among their dead comrades and undertook to make their way back to Tampa Bay – separating into two parties for greater safety. The one that came in first had a narrow escape. Pursuing a path the next day, an Indian on horseback, and with a rifle across the saddle bow, met them full in the way. To separate, and take the chance of a divided pursuit, was the only hope for either: and they struck off into opposite directions. The one to the right was pursued; and very soon the sharp crack of a rifle made known his fate to the one that had gone to the left. To him it was a warning, that his comrade being despatched, his own turn came next. It was open pine woods, and a running, or standing man, visible at a distance. The Indian on horseback was already in view. Escape by flight was impossible. Concealment in the grass, or among the palmettos, was the only hope: and this was tried. The man laid close: the Indian rode near him. He made circles around, eyeing the ground far and near. Rising in his stirrups to get a wider view, and seeing nothing, he turned the head of his horse and galloped off – the poor soldier having been almost under the horse's feet. This man, thus marvellously escaping, was the first to bring in the sad report of the Dade defeat – followed soon after by two others with its melancholy confirmation. And these were the only reports ever received of that completest of defeats. No officer survived to report a word. All were killed in their places – men and officers, each in his place, no one breaking ranks or giving back: and when afterwards the ground was examined, and events verified by signs, the skeletons in their places, and the bullet holes in trees and logs, and the little pen with its heaps of bones, showed that the carnage had taken place exactly as described by the men. And this was the slaughter of Major Dade and his command – of 108 out of 112: as treacherous, as barbarous, as perseveringly cruel as ever was known. One single feature is some relief to the sadness of the picture, and discriminates this defeat from most others suffered at the hands of Indians. There were no prisoners put to death; for no man surrendered. There were no fugitives slain in vain attempts at flight; for no one fled. All stood, and fought, and fell in their places, returning blow for blow while life lasted. It was the death of soldiers, showing that steadiness in defeat which is above courage in victory.

And this was the origin of the Florida Indian war: and a more treacherous, ferocious, and cold-blooded origin was never given to any Indian war. Yet such is the perversity of party spirit that its author – the savage Osceola – has been exalted into a hero-patriot; our officers, disparaged and ridiculed; the administration loaded with obloquy. And all this by our public men in Congress, as

well as by writers in the daily and periodical publications. The future historian who should take these speeches and publications for their guide, (and they are too numerous and emphatic to be overlooked,) would write a history discreditable to our arms, and reproachful to our justice. It would be a narrative of wickedness and imbecility on our part – of patriotism and heroism on the part of the Indians: those Indians whose very name (Seminole – wild,) define them as the fugitives from all tribes, and made still worse than fugitive Indians by a mixture with fugitive negroes, some of whom became their chiefs. It was to obviate the danger of such a history as that would be, that the author of this View delivered at the time, and in the presence of all concerned, an historical speech on the Florida Indian war, fortified by facts, and intended to stand for true; and which has remained unimpeached. Extracts from that speech will constitute the next chapter, to which this brief sketch will serve as a preface and introduction.

CHAPTER XIX.
FLORIDA INDIAN WAR: HISTORICAL SPEECH OF MR. BENTON

A senator from New Jersey [Mr. Southard] has brought forward an accusation which must affect the character of the late and present administrations at home, and the character of the country abroad; and which, justice to these administrations, and to the country, requires to be met and answered upon the spot. That senator has expressly charged that a fraud was committed upon the Florida Indians in the treaty negotiated with them for their removal to the West; that the war which has ensued was the consequence of this fraud; and that our government was responsible to the moral sense of the community, and of the world, for all the blood that has been shed, and for all the money that has been expended, in the prosecution of this war. This is a heavy accusation. At home, it attaches to the party in power, and is calculated to make them odious; abroad, it attaches to the country, and is calculated to blacken the national character. It is an accusation, without the shadow of a foundation! and, both, as one of the party in power, and as an American citizen, I feel myself impelled by an imperious sense of duty to my friends, and to my country, to expose its incorrectness at once, and to vindicate the government, and the country, from an imputation as unfounded as it is odious.

The senator from New Jersey first located this imputed fraud in the Payne's Landing treaty, negotiated by General Gadsden, in Florida, in the year 1832; and, after being tendered an issue on the fairness and generosity of that treaty by the senator from Alabama [Mr. Clay], he transferred the charge to the Fort Gibson treaty, made in Arkansas, in the year 1833, by Messrs. Stokes, Ellsworth and Schermerhorn. This was a considerable change of locality, but no change in the accusation itself; the two treaties being but one, and the last being a literal performance of a stipulation contained in the first. These are the facts; and, after stating the case, I will prove it as stated. This is the statement: The Seminole Indians in Florida being an emigrant band of the Creeks, and finding game exhausted, subsistence difficult, and white settlements approaching, concluded to follow the mother tribe, the Creeks, to the west of the Mississippi, and to reunite with them. This was conditionally agreed to be done at the Payne's Landing treaty; and in that treaty it was stipulated that a deputation of Seminole chiefs, under the sanction of the government of the United States, should proceed to the Creek country beyond the Mississippi – there to ascertain first whether a suitable country could be obtained for them there; and, secondly, whether the Creeks would receive them back as a part of their confederacy: and if the deputation should be satisfied on these two points, then the conditional obligation to remove, contained in the Payne's Landing treaty, to become binding and obligatory upon the Seminole tribe. The deputation went: the two points were solved in the affirmative the obligation to remove became absolute on the part of the Indians; and the government of the United States commenced preparations for effecting their easy, gradual, and comfortable removal.

The entire emigration was to be completed in three years, one-third going annually, commencing in the year 1833, and to be finished in the years 1834, and 1835. The deputation sent to the west of the Mississippi, completed their agreement with the Creeks on the 28th of March, 1833; they returned home immediately, and one-third of the tribe was to remove that year. Every thing was got ready on the part of the United States, both to transport the Indians to their new homes, and to subsist them for a year after their arrival there. But, instead of removing, the Indians began to invent excuses, and to interpose delays, and to pass off the time without commencing the emigration. The year 1833, in which one-third of the tribe were to remove, passed off without any removal; the year 1834, in which another third was to go, was passed off in the same manner; the year 1835, in which the emigration was to have been completed, passed away, and the emigration was not begun. On the contrary, on the last days of the last month of that year, while the United States was still peaceably

urging the removal, an accumulation of treacherous and horrible assassinations and massacres were committed. The United States agent, General Thompson, Lieutenant Smith, of the artillery, and five others, were assassinated in sight of Fort King; two expresses were murdered; and Major Dade's command was massacred.

In their excuses and pretexts for not removing, the Indians never thought of the reasons which have been supplied to them on this floor. They never thought of alleging fraud. Their pretexts were frivolous; as that it was a long distance, and that bad Indians lived in that country, and that the old treaty of Fort Moultrie allowed them twenty years to live in Florida. Their real motive was the desire of blood and pillage on the part of many Indians, and still more on the part of the five hundred runaway negroes mixed up among them; and who believed that they could carry on their system of robbery and murder with impunity, and that the swamps of the country would for ever protect them against the pursuit of the whites.

This, Mr. President, is the plain and brief narrative of the causes which led to the Seminole war; it is the brief historical view of the case; and if I was speaking under ordinary circumstances, and in reply to incidental remarks, I should content myself with this narrative, and let the question go to the country upon the strength and credit of this statement. But I do not speak under ordinary circumstances; I am not replying to incidental and casual remarks. I speak in answer to a formal accusation, preferred on this floor; I speak to defend the late and present administrations from an odious charge; and, in defending them, to vindicate the character of our country from the accusation of the senator from New Jersey [Mr. Southard], and to show that fraud has not been committed upon these Indians, and that the guilt of a war, founded in fraud, is not justly imputable to them.

The Seminoles had stipulated that the agent, Major Phagan, and their own interpreter, the negro Abraham, should accompany them; and this was done. It so happened, also, that an extraordinary commission of three members sent out by the United States to adjust Indian difficulties generally, was then beyond the Mississippi; and these commissioners were directed to join in the negotiations on the part of the United States, and to give the sanction of our guarantee to the agreements made between the Seminoles and the Creeks for the reunion of the former to the parent tribe. This was done. Our commissioners, Messrs. Stokes, Ellsworth, and Schermerhorn, became party to a treaty with the Creek Indians for the reunion of the Seminoles, made at Fort Gibson, the 14th of February, 1833. The treaty contained this article:

> "Article IV. It is understood and agreed that the Seminole Indians of Florida, whose removal to this country is provided for by their treaty with the United States, dated May 9, 1832, shall also have a permanent and comfortable home on the lands hereby set apart as the country of the Creek nation; and they, the Seminoles, will hereafter be considered as a constituent part of the said nation, but are to be located on some part of the Creek country by themselves, which location shall be selected for them by the commissioners who have seen these articles of agreement."

This agreement with the Creeks settled one of the conditions on which the removal of the Seminoles was to depend. We will now see how the other condition was disposed of.

In a treaty made at the same Fort Gibson, on the 28th of March, 1833, between the same three commissioners on the part of the United States, and the seven delegated Seminole chiefs, after reciting the two conditions precedent contained in the Payne's Landing treaty, and reciting, also, the convention with the Creeks on the 14th of February preceding, it is thus stipulated:

> "Now, therefore, the commissioners aforesaid, by virtue of the power and authority vested in them by the treaty made with the Creek Indians on the 14th of February, 1833, as above stated, hereby designate and assign to the Seminole tribe of Indians, for their separate future residence for ever, a tract of country lying between the Canadian River and the south fork thereof, and extending west to where

> a line running north and south between the main Canadian and north branch will strike the forks of Little River; provided said west line does not extend more than twenty-five miles west from the mouth of said Little River. And the undersigned Seminole chiefs, delegated as aforesaid, on behalf of the nation, hereby declare themselves well satisfied with the location provided for them by the commissioners, and agree that their nation shall commence the removal to their new home as soon as the government will make the arrangements for their emigration satisfactory to the Seminole nation."

This treaty is signed by the delegation, and by the commissioners of the United States, and witnessed, among others, by the same Major Phagan, agent, and Abraham, interpreter, whose presence was stipulated for at Payne's Landing.

Thus the two conditions on which the removal depended, were complied with; they were both established in the affirmative. The Creeks, under the solemn sanction and guarantee of the United States, agree to receive back the Seminoles as a part of their confederacy, and agree that they shall live adjoining them on lands designated for their residence. The delegation declare themselves well satisfied with the country assigned them, and agree that the removal should commence as soon as the United States could make the necessary arrangements for the removal of the people.

This brings down the proof to the conclusion of all questions beyond the Mississippi; it brings it down to the conclusion of the treaty at Fort Gibson – that treaty in which the senator from New Jersey [Mr. Southard] has located the charge of fraud, after withdrawing the same charge from the Payne's Landing treaty. It brings us to the end of the negotiations at the point selected for the charge; and now how stands the accusation? How stands the charge of fraud? Is there a shadow, an atom, a speck, of foundation on which to rest it? No, sir: Nothing – nothing – nothing! Every thing was done that was stipulated for; done by the persons who were to do it; and done in the exact manner agreed upon. In fact, the nature of the things to be done west of the Mississippi was such as not to admit of fraud. Two things were to be done, one to be seen with the eyes, and the other to be heard with the ears. The deputation was to see their new country, and say whether they liked it. This was a question to their own senses – to their own eyes – and was not susceptible of fraud. They were to *hear* whether the Creeks would receive them back as a part of their confederacy; this was a question to their own *ears*, and was also unsusceptible of fraud. Their own eyes could not deceive them in looking at land; their own ears could not deceive them in listening to their own language from the Creeks. No, sir: there was no physical capacity, or moral means, for the perpetration of fraud; and none has ever been pretended by the Indians from that day to this. The Indians themselves have never thought of such a thing. There is no assumption of a deceived party among them. It is not a deceived party that is at war – a party deceived by the delegation which went to the West – but that very delegation itself, with the exception of Charley Emarthla, are the hostile leaders at home! This is reducing the accusation to an absurdity. It is making the delegation the dupes of their own eyes and of their own ears, and then going to war with the United States, because their own eyes deceived them in looking at land on the Canadian River, and their own ears deceived them in listening to their own language from the Creeks; and then charging these frauds upon the United States. All this is absurd; and it is due to these absent savages to say that they never committed any such absurdity – that they never placed their objection to remove upon any plea of deception practised upon them beyond the Mississippi, but on frivolous pretexts invented long after the return of the delegation; which pretexts covered the real grounds growing out of the influence of runaway slaves, and some evilly disposed chiefs, and that thirst for blood and plunder, in which they expected a long course of enjoyment and impunity in their swamps, believed to be impenetrable to the whites.

Thus, sir, it is clearly and fully proved that there was no fraud practised upon these Indians; that they themselves never pretended such a thing; and that the accusation is wholly a charge of recent origin sprung up among ourselves. Having shown that there was no fraud, this might be sufficient for

the occasion, but having been forced into the inquiry, it may be as well to complete it by showing what were the causes of this war. To understand these causes, it is necessary to recur to dates, to see the extreme moderation with which the United States acted, the long time which they tolerated the delays of the Indians, and the treachery and murder with which their indulgence and forbearance was requited. The emigration was to commence in 1833, and be completed in the years 1834 and 1835. The last days of the last month of this last year had arrived, and the emigration had not yet commenced. Wholly intent on their peaceable removal, the administration had despatched a disbursing agent, Lieutenant Harris of the army, to take charge of the expenditures for the subsistence of these people. He arrived at Fort King on the afternoon of the 28th of December, 1835; and as he entered the fort, he became almost an eye-witness of a horrid scene which was the subject of his first despatch to his government. He describes it in these words:

> "I regret that it becomes my first duty after my arrival here to be the narrator of a story, which it will be, I am sure, as painful for you to hear, as it is for me, who was almost an eye witness to the bloody deed, to relate to you. Our excellent superintendent, General Wiley Thompson, has been most cruelly murdered by a party of the hostile Indians, and with him Lieutenant Constant Smith, of the 2d regiment of artillery, Erastus Rogers, the suttler to the post, with his two clerks, a Mr. Kitzler, and a boy called Robert. This occurred on the afternoon of the 28th instant (December), between three and four o'clock. On the day of the massacre, Lieutenant Smith had dined with the General, and after dinner invited him to take a short stroll with him. They had not proceeded more than three hundred yards beyond the agency office, when they were fired upon by a party of Indians, who rose from ambush in the hammock, within sight of the fort, and on which the suttler's house borders. The reports of the rifles fired, the war-whoop twice repeated, and after a brief space, several other volleys more remote, and in the quarter of Mr. Rogers's house, were heard, and the smoke of the firing seen from the fort. Mr. Rogers and his clerks were surprised at dinner. Three escaped: the rest murdered. The bodies of General Thompson, Lieutenant Smith, and Mr. Kitzler, were soon found and brought in. Those of the others were not found until this morning. That of General Thompson was perforated with fourteen bullets. Mr. Rogers had received seventeen. All were scalped, except the boy. The cowardly murderers are supposed to be a party of Micasookees, 40 or 50 strong, under the traitor Powell (Osceola), whose shrill, peculiar war-whoop, was recognized by our interpreters, and the one or two friendly Indians we have in the fort, and who knew it well. Two expresses (soldiers) were despatched upon fresh horses on the evening of this horrid tragedy, with tidings of it to General Clinch; but not hearing from him or them, we conclude they were cut off. We are also exceedingly anxious for the fate of the two companies (under Major Dade) which had been ordered up from Fort Brooke, and of whom we learn nothing."

Sir, this is the first letter of the disbursing agent, specially detached to furnish the supplies to the emigrating Indians. He arrives in the midst of treachery and murder; and his first letter is to announce to the government the assassination of their agent, an officer of artillery, and five citizens; the assassination of two expresses, for they were both waylaid and murdered; and the massacre of one hundred and twelve men and officers under Major Dade. All this took place at once; and this was the beginning of the war. Up to that moment the government of the United States were wholly employed in preparing the Indians for removal, recommending them to go, and using no force or violence upon them. This is the way the war was brought on; this is the way it began; and was there ever a case in which a government was so loudly called upon to avenge the dead, to protect the living, and to cause

itself to be respected by punishing the contemners of its power? The murder of the agent was a double offence, a peculiar outrage to the government whose representative he was, and a violation even of the national law of savages. Agents are seldom murdered even by savages; and bound as every government is to protect all its citizens, it is doubly bound to protect its agents and representatives abroad. Here, then, is a government agent, and a military officer, five citizens, two expresses, and a detachment of one hundred and twelve men, in all one hundred and twenty-one persons, treacherously and inhumanly massacred in one day! and because General Jackson's administration did not submit to this horrid outrage, he is charged with the guilt of a war founded in fraud upon innocent and unoffending Indians! Such is the spirit of opposition to our own government! such the love of Indians and contempt of whites! and such the mawkish sentimentality of the day in which we live – a sentimentality which goes moping and sorrowing about in behalf of imaginary wrongs to Indians and negroes, while the whites themselves are the subject of murder, robbery and defamation.

The prime mover in all this mischief, and the leading agent in the most atrocious scene of it, was a half-blooded Indian of little note before this time, and of no consequence in the councils of his tribe; for his name is not to be seen in the treaty either of Payne's Landing or Fort Gibson. We call him Powell; by his tribe he was called Osceola. He led the attack in the massacre of the agent, and of those who were killed with him, in the afternoon of the 28th of December. The disbursing agent, whose letter has been read, in his account of that massacre, applies the epithet *traitor* to the name of this Powell. Well might he apply that epithet to that assassin; for he had just been fed and caressed by the very person whom he waylaid and murdered. He had come into the agency shortly before that time with seventy of his followers, professed his satisfaction with the treaty, his readiness to remove, and received subsistence and supplies for himself and all his party. The most friendly relations seemed to be established; and the doomed and deceived agent, in giving his account of it to the government, says: "The result was that we closed with the utmost good feeling; and I have never seen Powell and the other chiefs so cheerful and in so fine a humor, at the close of a discussion upon the subject of removal."

This is Powell (Osceola), for whom all our sympathies are so pathetically invoked! a treacherous assassin, not only of our people, but of his own – for he it was who waylaid, and shot in the back, in the most cowardly manner, the brave chief Charley Emarthla, whom he dared not face, and whom he thus assassinated because he refused to join him and his runaway negroes in murdering the white people. The collector of Indian curiosities and portraits, Mr. Catlin, may be permitted to manufacture a hero out of this assassin, and to make a poetical scene of his imprisonment on Sullivan's island; but it will not do for an American senator to take the same liberties with historical truth and our national character. Powell ought to have been hung for the assassination of General Thompson; and the only fault of our officers is, that they did not hang him the moment they caught him. The fate of Arbuthnot and Ambrister was due to him a thousand times over.

I have now answered the accusation of the senator from New Jersey [Mr. Southard]. I have shown the origin of this war. I have shown that it originated in no fraud, no injustice, no violence, on the part of this government, but in the thirst for blood and rapine on the part of these Indians, and in their confident belief that their swamps would be their protection against the pursuit of the whites; and that, emerging from these fastnesses to commit robbery and murder, and retiring to them to enjoy the fruits of their marauding expeditions, they had before them a long perspective of impunity in the enjoyment of their favorite occupation. This I have shown to be the cause of the war; and having vindicated the administration and the country from the injustice of the imputation cast upon them, I proceed to answer some things said by a senator from South Carolina [Mr. Preston], which tended to disparage the troops generally which have been employed in Florida; to disparage a particular general officer, and also to accuse that general officer of a particular and specified offence. That senator has decried our troops in Florida for the general inefficiency of their operations; he has decried General Jesup for the general imbecility of his operations, and he has charged this General with the violation

of a flag, and the commission of a perfidious act, in detaining and imprisoning the Indian Powell, who came into his camp.

I think there is great error and great injustice in all these imputations, and that it is right for some senator on this floor to answer them. My position, as chairman of the Committee on Military Affairs, would seem to assign that duty to me, and it may be the reason why others who have spoken have omitted all reply on these points. Be that as it may, I feel impelled to say something in behalf of those who are absent, and cannot speak for themselves – those who must always feel the wound of unmerited censure, and must feel it more keenly when the blow that inflicts the wound falls from the elevated floor of the American Senate. So far as the army, generally, is concerned in this censure, I might leave them where they have been placed by the senator from South Carolina [Mr. Preston], and others on that side of the House, if I could limit myself to acting a political part here. The army, as a body, is no friend of the political party to which I belong. Individuals among them are friendly to the administration; but, as a body, they go for the opposition, and would terminate our political existence, if they could, and put our opponents in our place, at the first general election that intervenes. Asa politician, then, I might abandon them to the care of their political friends; but, as an American, as a senator, and as having had some connection with the military profession, I feel myself called upon to dissent from the opinion which has been expressed, and to give my reasons for believing that the army has not suffered, and ought not to suffer, in character, by the events in Florida. True, our officers and soldiers have not performed the same feats there which they performed in Canada, and elsewhere. But why? Certainly because they have not got the same, or an equivalent, theatre to act upon, nor an enemy to cope with over whom brilliant victories can be obtained. The peninsula of Florida, where this war rages, is sprinkled all over with swamps, hammocks, and lagoons, believed for three hundred years to be impervious to the white man's tread. The theatre of war is of great extent, stretching over six parallels of latitude; all of it in the sultry region below thirty-one degrees of north latitude. The extremity of this peninsula approaches the tropic of Capricorn; and at this moment, while we speak here, the soldier under arms at mid-day there will cast no shadow: a vertical sun darts its fiery rays direct upon the crown of his head. Suffocating heat oppresses the frame; annoying insects sting the body; burning sands, a spongy morass, and the sharp cutting saw grass, receive the feet and legs; disease follows the summer's exertion; and a dense foliage covers the foe. Eight months in the year military exertions are impossible; during four months only can any thing be done. The Indians well understand this; and, during these four months, either give or receive an attack, as they please, or endeavor to consume the season in wily parleys. The possibility of splendid military exploits does not exist in such a country, and against such a foe: but there is room there, and ample room there, for the exhibition of the highest qualities of the soldier. There is room there for patience, and for fortitude, under every variety of suffering, and under every form of privation. There is room there for courage and discipline to exhibit itself against perils and trials which subject courage and discipline to the severest tests. And has there been any failure of patience, fortitude, courage, discipline, and subordination in all this war? Where is the instance in which the men have revolted against their officers, or in which the officer has deserted his men? Where is the instance of a flight in battle? Where the instance of orders disobeyed, ranks broken, or confusion of corps? On the contrary, we have constantly seen the steadiness, and the discipline, of the parade maintained under every danger, and in the presence of massacre itself. Officers and men have fought it out where they were told to fight; they have been killed in the tracks in which they were told to stand. None of those pitiable scenes of which all our Indian wars have shown some – those harrowing scenes in which the helpless prisoner, or the hapless fugitive, is massacred without pity, and without resistance: none of these have been seen. Many have perished; but it was the death of the combatant in arms, and not of the captive or the fugitive. In no one of our savage wars have our troops so stood together, and conquered together, and died together, as they have done in this one; and this standing together is the test of the soldier's character. Steadiness, subordination, courage, discipline, – these are the

test of the soldier; and in no instance have our troops, or any troops, ever evinced the possession of these qualities in a higher degree than during the campaigns in Florida. While, then, brilliant victories may not have been seen, and, in fact, were impossible, yet the highest qualities of good soldiership have been eminently displayed throughout this war. Courage and discipline have shown themselves, throughout all its stages, in their noblest forms.

From the general imputation of inefficiency in our operations in Florida, the senator from South Carolina [Mr. Preston] comes to a particular commander, and charges inefficiency specifically upon him. This commander is General Jesup. The senator from South Carolina has been lavish, and even profuse, in his denunciation of that general, and has gone so far as to talk about military courts of inquiry. Leaving the general open to all such inquiry, and thoroughly convinced that the senator from South Carolina has no idea of moving such inquiry, and intends to rest the effect of his denunciation upon its delivery here, I shall proceed to answer him here – giving speech for speech on this floor, and leaving the general himself to reply when it comes to that threatened inquiry, which I undertake to affirm will never be moved.

General Jesup is charged with imbecility and inefficiency; the continuance of the war is imputed to his incapacity; and he is held up here, on the floor of the Senate, to public reprehension for these imputed delinquencies. This is the accusation; and now let us see with how much truth and justice it is made. Happily for General Jesup, this happens to be a case in which we have data to go upon, and in which there are authentic materials for comparing the operations of himself with those of other generals – his predecessors in the same field – with whose success the senator from South Carolina is entirely satisfied. Dates and figures furnish this data and these materials; and, after refreshing the memory of the Senate with a few dates, I will proceed to the answers which the facts of the case supply. The first date is, as to the time of the commencement of this war; the second, as to the time that General Jesup assumed the command; the third, as to the time when he was relieved from the command. On the first point, it will be recollected that the war broke out upon the assassination of General Thompson, the agent, Lieutenant Smith, who was with him; the sutler and his clerks; the murder of the two expresses; and the massacre of Major Dade's command; – events which came together in point of time, and compelled an immediate resort to war by the United States. These assassinations, these murders, and this massacre, took place on the 28th day of December, 1835. The commencement of the war, then, dates from that day. The next point is, the time of General Jesup's appointment to the command. This occurred in December, 1836. The third point is, the date of General Jesup's relief from the command, and this took place in May, of the present year, 1838. The war has then continued – counting to the present time – two years and a half; and of that period, General Jesup has had command something less than one year and a half. Other generals had command for a year before he was appointed in that quarter. Now, how much had those other generals done? All put together, how much had they done? And I ask this question not to disparage their meritorious exertions, but to obtain data for the vindication of the officer now assailed. The senator from South Carolina [Mr. Preston] is satisfied with the operations of the previous commanders; now let him see how the operations of the officer whom he assails will compare with the operations of those who are honored with his approbation. The comparison is brief and mathematical. It is a problem in the exact sciences. General Jesup reduced the hostiles in the one year and a half of his command, 2,200 souls: all his predecessors together had reduced them 150 in one year. Where does censure rest now?

Sir, I disparage nobody. I make no exhibit of comparative results to undervalue the operations of the previous commanders in Florida. I know the difficulty of military operations there, and the ease of criticism here. I never assailed those previous commanders; on the contrary, often pointed out the nature of the theatre on which they operated as a cause for the miscarriage of expeditions, and for the want of brilliant and decisive results. Now for the first time I refer to the point, and, not to disparage others, but to vindicate the officer assailed. His vindication is found in the comparison

of results between himself and his predecessors, and in the approbation of the senator from South Carolina of the results under the predecessors of General Jesup. Satisfied with *them*, he must be satisfied with *him*; for the difference is as fifteen to one in favor of the decried general.

Besides the general denunciation for inefficiency, which the senator from South Carolina has lavished upon General Jesup, and which denunciation has so completely received its answer in this comparative statement; besides this general denunciation, the senator from South Carolina brought forward a specific accusation against the honor of the same officer – an accusation of perfidy, and of a violation of flag of truce, in the seizure and detention of the Indian Osceola, who had come into his camp. On the part of General Jesup, I repel this accusation, and declare his whole conduct in relation to this Indian, to have been *justifiable*, under the laws of civilized or savage warfare; that it was *expedient* in point of policy; and that if any blame could attach to the general, it would be for the contrary of that with which he is blamed; it would be for an excess of forbearance and indulgence.

The justification of the general for the seizure and detention of this half-breed Indian, is the first point; and that rests upon several and distinct grounds, either of which fully justifies the act.

1. *This Osceola had broken his parole; and, therefore, was liable to be seized and detained.*

The facts were these: In the month of May, 1837, this chief, with his followers, went into Fort Mellon, under the cover of a white flag, and there surrendered to Lieutenant Colonel Harney. He declared himself done with the war, and ready to emigrate to the west of the Mississippi, and solicited subsistence and transportation for himself and his people for that purpose. Lieutenant Colonel Harney received him, supplied him with provisions, and, relying upon his word and apparent sincerity, instead of sending him under guard, took his parole to go to Tampa Bay, the place at which he preferred to embark, to take shipping there for the West. Supplied with every thing, Osceola and his people left Fort Mellon, under the pledge to go to Tampa Bay. He never went there! but returned to the hostiles; and it was afterwards ascertained that he never had any idea of going West, but merely wished to live well for a while at the expense of the whites, examine their strength and position, and return to his work of blood and pillage. After this, he had the audacity to approach General Jesup's camp in October of the same year, with another piece of white cloth over his head, thinking, after his successful treacheries to the agent, General Thompson, and Lieut. Colonel Harney, that there was no end to his tricks upon white people. General Jesup ordered him to be seized and carried a prisoner to Sullivan's Island, where he was treated with the greatest humanity, and allowed every possible indulgence and gratification. This is one of the reasons in justification of General Jesup's conduct to that Indian, and it is sufficient of itself; but there are others, and they shall be stated.

2. *Osceola had violated an order in coming in, with a view to return to the hostiles; and, therefore, was liable to be detained.*

The facts were these: Many Indians, at different times, had come in under the pretext of a determination to emigrate; and after receiving supplies, and viewing the strength and position of the troops, returned again to the hostiles, and carried on the war with renewed vigor. This had been done repeatedly. It was making a mockery of the white flag, and subjecting our officers to ridicule as well as to danger. General Jesup resolved to put an end to these treacherous and dangerous visits, by which spies and enemies obtained access to the bosom of his camp. He made known to the chief, Coi Hadjo, his determination to that effect. In August, 1837, he declared peremptorily to this chief, for the information of all the Indians, that none were to come in, except to remain, and to emigrate; that no one coming into his camp again should be allowed to go out of it, but should be considered as having surrendered with a view to emigrate under the treaty, and should be detained for that purpose. In October, Osceola came in, in violation of that order, and was detained in compliance with it. This is a second reason for the justification of General Jesup, and is of itself sufficient to justify him; but there is more justification yet, and I will state it.

3. *Osceola, had broken a truce, and, therefore, was liable to be detained whenever he could be taken.*

The facts were these: The hostile chiefs entered into an agreement for a truce at Fort King, in August, 1837, and agreed: 1. Not to commit any act of hostility upon the whites; 2. Not to go east of the St. John's river, or north of Fort Mellon. This truce was broken by the Indians in both points. A citizen was killed by them, and they passed both to the east of the St. John's and far north of Fort Mellon. As violators of this truce, General Jesup had a right to detain any of the hostiles which came into his hands, and Osceola was one of these.

Here, sir, are three grounds of justification, either of them sufficient to justify the conduct of General Jesup towards Powell, as the gentlemen call him. The first of the three reasons applies personally and exclusively to that half-breed; the other two apply to all the hostile Indians, and justify the seizure and detention of others, who have been sent to the West.

So much for justification; now for the expediency of having detained this Indian Powell. I hold it was expedient to exercise the right of detaining him, and prove this expediency by reasons both *a priori* and *a posteriori*. His previous treachery and crimes, and his well known disposition for further treachery and crimes, made it right for the officers of the United States to avail themselves of the first justifiable occasion to put an end to his depredations by confining his person until the war was over. This is a reason *a priori*. The reason *a posteriori* is, that it has turned out right; it has operated well upon the mass of the Indians, between eighteen and nineteen hundred of which, negroes inclusive, have since surrendered to Gen. Jesup. This, sir, is a fact which contains an argument which overturns all that can be said on this floor against the detention of Osceola. The Indians themselves do not view that act as perfidious or dishonorable, or the violation of a flag, or even the act of an enemy. They do not condemn General Jesup on account of it, but no doubt respect him the more for refusing to be made the dupe of a treacherous artifice. A bit of white linen, stripped, perhaps from the body of a murdered child, or its murdered mother, was no longer to cover the insidious visits of spies and enemies. A firm and manly course was taken, and the effect was good upon the minds of the Indians. The number since surrendered is proof of its effect upon their minds; and this proof should put to blush the lamentations which are here set up for Powell, and the censure thrown upon General Jesup.

No, sir, no. General Jesup has been guilty of no perfidy, no fraud, no violation of flags. He has done nothing to stain his own character, or to dishonor the flag of the United States. If he has erred, it has been on the side of humanity, generosity, and forbearance to the Indians. If he has erred, as some suppose, in losing time to parley with the Indians, that error has been on the side of humanity, and of confidence in them. But has he erred? Has his policy been erroneous? Has the country been a loser by his policy? To all these questions, let results give the answer. Let the twenty-two hundred Indians, abstracted from the hostile ranks by his measures, be put in contrast with the two hundred, or less, killed and taken by his predecessors. Let these results be compared; and let this comparison answer the question whether, in point of fact, there has been any error, even a mistake of judgment, in his mode of conducting the war.

The senator from South Carolina [Mr. Preston] complains of the length of time which General Jesup has consumed without bringing the war to a close. Here, again, the chapter of comparisons must be resorted to in order to obtain the answer which justice requires. How long, I pray you, was General Jesup in command? from December, 1836, to May, 1838; nominally he was near a year and a half in command; in reality not one year, for the summer months admit of no military operations in that peninsula. His predecessors commanded from December, 1835, to December, 1836; a term wanting but a few months of as long a period as the command of General Jesup lasted. Sir, there is nothing in the length of time which this general commanded, to furnish matter for disadvantageous comparisons to him; but the contrary. He reduced the hostiles about one-half in a year and a half; they reduced them about the one-twentieth in a year. The whole number was about 5,000; General Jesup diminished their number, during his command, 2,200; the other generals had reduced them about 150. At the rate he proceeded, the work would be finished in about three years; at the rate they proceeded, in about twenty years. Yet he is to be censured here for the length of time consumed

without bringing the war to a close. He, and he alone, is selected for censure. Sir, I dislike these comparisons; it is a disagreeable task for me to make them; but I am driven to it, and mean no disparagement to others. The violence with which General Jesup is assailed here – the comparisons to which he has been subjected in order to degrade him – leave me no alternative but to abandon a meritorious officer to unmerited censure, or to defend him in the same manner in which he has been assailed.

The essential policy of General Jesup has been to induce the Indians to come in – to surrender – and to emigrate under the treaty. This has been his main, but not his exclusive, policy; military operations have been combined with it; many skirmishes and actions have been fought since he had command; and it is remarkable that this general, who has been so much assailed on this floor, is the only commander-in-chief in Florida who has been wounded in battle at the head of his command. His person marked with the scars of wounds received in Canada during the late war with Great Britain, has also been struck by a bullet, in the face, in the peninsula of Florida; yet these wounds – the services in the late war with Great Britain – the removal of upwards of 16,00 °Creek Indians from Alabama and Georgia to the West, during the summer of 1836 – and more than twenty-five years of honorable employment in the public service – all these combined, and an unsullied private character into the bargain, have not been able to protect the feelings of this officer from laceration on this floor. Have not been sufficient to protect his feelings! for, as to his character, that is untouched. The base accusation – the vague denunciation – the offensive epithets employed here, may lacerate feelings, but they do not reach character; and as to the military inquiry, which the senator from South Carolina speaks of, I undertake to say that no such inquiry will ever take place. Congress, or either branch of Congress, can order an inquiry if it pleases; but before it orders an inquiry, *a probable cause has to be shown for it*; and that probable cause never has been, and never will be, shown in General Jesup's case.

The senator from South Carolina speaks of the large force which was committed to General Jesup, and the little that was effected with that force. Is the senator aware of the extent of the country over which his operations extended? that it extended from 31 to 25 degrees of north latitude? that it began in the Okefenokee swamp in Georgia, and stretched to the Everglades in Florida? that it was near five hundred miles in length in a straight line, and the whole sprinkled over with swamps, one of which alone was equal in length to the distance between Washington City and Philadelphia? But it was not extent of country alone, with its fastnesses, its climate, and its wily foe, that had to be contended with; a new element of opposition was encountered by General Jesup, in the poisonous information which was conveyed to the Indians' minds, which encouraged them to hold out, and of which he had not even knowledge for a long time. This was the quantity of false information which was conveyed to the Indians, to stimulate and encourage their resistance. General Jesup took command just after the presidential election of 1836. The Indians were informed of this change of presidents, and were taught to believe that the white people had *broke* General Jackson – that was the phrase – had *broke* General Jackson for making war upon them. They were also informed that General Jesup was carrying on the war without the leave of Congress; that Congress would give no more money to raise soldiers to fight them; and that he dared not come home to Congress. Yes, he dared not come home to Congress! These poor Indians seem to have been informed of intended movements against the general in Congress, and to have relied upon them both to stop supplies and to punish the general. Moreover, they were told, that, if they surrendered to emigrate, they would receive the worst treatment on the way; that, if a child cried, it would be thrown overboard; if a chief gave offence, he would be put in irons. Who the immediate informants of all these fine stories were, cannot be exactly ascertained. They doubtless originated with that mass of fanatics, devoured by a morbid sensibility for negroes and Indians, which are now *Don Quixoting* over the land, and filling the public ear with so many sympathetic tales of their own fabrication.

General Jesup has been censured for writing a letter disparaging to his predecessor in command. If he did so, and I do not deny it, though I have not seen the letter, nobly has he made the amends.

Publicly and officially has he made amends for a private and unofficial wrong. In an official report to the war department, published by that department, he said:

> "As an act of justice to all my predecessors in command, I consider it my duty to say that the difficulties attending military operations in this country, can be properly appreciated only by those acquainted with them. I have advantages which neither of them possessed, in better preparations and more abundant supplies; and I found it impossible to operate with any prospect of success, until I had established a line of depots across the country. If I have at any time said aught in disparagement of the operations of others in Florida, either verbally or in writing, officially or unofficially, knowing the country as I now know it, I consider myself bound as a man of honor solemnly to retract it."

Such are the amends which General Jesup makes – frank and voluntary – full and kindly – worthy of a soldier towards brother soldiers; and far more honorable to his predecessors in command than the disparaging comparisons which have been instituted here to do them honor at his expense.

The expenses of this war is another head of attack pressed into this debate, and directed more against the administration than against the commanding general. It is said to have cost twenty millions of dollars; but that is an error – an error of near one-half. An actual return of all expenses up to February last, amounts to nine and a half millions; the rest of the twenty millions go to the suppression of hostilities in other places, and with other Indians, principally in Georgia and Alabama, and with the Cherokees and Creeks. Sir, this charge of expense seems to be a standing head with the opposition at present. Every speech gives us a dish of it; and the expenditures under General Jackson and Mr. Van Buren are constantly put in contrast with those of previous administrations. Granted that these expenditures are larger – that they are greatly increased; yet what are they increased for? Are they increased for the personal expenses of the officers of the government, or for great national objects? The increase is for great objects; such as the extinction of Indian titles in the States east of the Mississippi – the removal of whole nations of Indians to the west of the Mississippi – their subsistence for a year after they arrive there – actual wars with some tribes – the fear of it with others, and the consequent continual calls for militia and volunteers to preserve peace – large expenditures for the permanent defences of the country, both by land and water, with a pension list for ever increasing; and other heads of expenditure which are for future national benefit; and not for present individual enjoyment. Stripped of all these heads of expenditure, and the expenses of the present administration have nothing to fear from a comparison with other periods. Stated in the gross, as is usually done, and many ignorant people are deceived and imposed upon, and believe that there has been a great waste of public money; pursued into the detail, and these expenditures will be found to have been made for great national objects – objects which no man would have undone, to get back the money, even if it was possible to get back the money by undoing the objects. No one, for example, would be willing to bring back the Creeks, the Cherokees, the Choctaws, and Chickasaws into Alabama, Mississippi, Georgia, Tennessee and North Carolina, even if the tens of millions which it has cost to remove them could be got back by that means; and so of the other expenditures: yet these eternal croakers about expense are blaming the government for these expenditures.

Sir, I have gone over the answers, which I proposed to make to the accusations of the senators from New Jersey and South Carolina. I have shown them to be totally mistaken in all their assumptions and imputations. I have shown that there was no fraud upon the Indians in the treaty at Fort Gibson – that the identical chiefs who made that treaty have since been the hostile chiefs – that the assassination and massacre of an agent, two government expresses, an artillery officer, five citizens, and one hundred and twelve men of Major Dade's command, caused the war – that our troops are not subject to censure for inefficiency – that General Jesup has been wrongfully denounced upon this floor – and that even the expense of the Florida war, resting as it does in figures and in documents, has been vastly

overstated to produce effect upon the public mind. All these things I have shown; and I conclude with saying that cost, and time, and loss of men, are all out of the question; that, for outrages so wanton and so horrible as those which occasioned this war, the national honor requires the most ample amends; and the national safety requires a future guarantee in prosecuting this war to a successful close, and completely clearing the peninsula of Florida of all the Indians that are upon it.

CHAPTER XX.
RESUMPTION OF SPECIE PAYMENTS BY THE NEW YORK BANKS

The suspension commenced on the 10th of May in New York, and was followed throughout the country. In August the New York banks proposed to all others to meet in convention, and agree upon a time to commence a general resumption. That movement was frustrated by the opposition of the Philadelphia banks, for the reason, as given, that it was better to await the action of the extra session of Congress, then convoked, and to meet in September. The extra session adjourned early in October, and the New York banks, faithful to the promised resumption of specie payments, immediately issued another invitation for the general convention of the banks in that city on the 27th of November ensuing, to carry into effect the object of the meeting which had been invited in the month of August. The 27th of November arrived; a large proportion of the delinquent banks had accepted the invitation to send delegates to the convention: but its meeting was again frustrated – and from the same quarter – the Bank of the United States, and the institutions under its influence. They then resolved to send a committee to Philadelphia to ascertain from the banks when they would be ready, and to invite them to name a day when they would be able to resume; and if no day was definitely fixed, to inform them that the New York banks would commence specie payments without waiting for their co-operation. The Philadelphia banks would not co-operate. They would not agree to any definite time to take even initiatory steps towards resumption. This was a disappointment to the public mind – that large part of it which still had faith in the Bank of the United States; and the contradiction which it presented to all the previous professions of that institution, required explanations, and, if possible, reconciliation with past declarations. The occasion called for the pen of Mr. Biddle, always ready, always confident, always presenting an easy remedy, and a sure one, for all the diseases to which banks, currency, and finance were heir. It called for another letter to Mr. John Quincy Adams, that is to say, to the public, through the distinction of that gentleman's name. It came – the most elaborate and ingenious of its species; its burden, to prove the entire ability of the bank over which he presided to pay in full, and without reserve, but its intention not to do so on account of its duty to others not able to follow its example, and which might be entirely ruined by a premature effort to do so. And he concluded with condensing his opinion into a sentence of characteristic and sententious brevity: "*On the whole, the course which in my judgment the banks ought to pursue, is simply this: The banks should remain exactly as they are – prepared to resume, but not yet resuming.*" But he did not stop there, but in another publication went the length of a direct threat of destruction against the New York banks if they should, in conformity to their promise, venture to resume, saying: "Let the banks of the Empire State come up from their Elba, and enjoy their hundred days of resumption! a Waterloo awaits them, and a Saint Helena is prepared for them."

The banks of New York were now thrown upon the necessity of acting without the concurrence of those of Pennsylvania, and in fact under apprehension of opposition and counteraction from that quarter. They were publicly pledged to act without her, and besides were under a legal obligation to do so. The legislature of the State, at the time of the suspension, only legalized it for one year. The indulgence would be out on the 15th of May, and forfeiture of charter was the penalty to be incurred throughout the State for continuing it beyond that time. The city banks had the control of the movement, and they invited a convention of delegates from all the banks in the Union to meet in New York on the 15th of April. One hundred and forty-three delegates, from the principal banks in a majority of the States, attended. Only delegates from fifteen States voted – Pennsylvania, Maryland and South Carolina among the absent; which, as including the three principal commercial cities on the Atlantic board south of New York, was a heavy defalcation from the weight of the convention.

Of the fifteen States, thirteen voted for resuming on the 1st day of January, 1839 – a delay of near nine months; two voted against that day – New York and Mississippi; and (as it often happens in concurring votes) for reasons directly opposite to each other. The New York banks so voted because the day was too distant – those of Mississippi because it was too near. The New York delegates wished the 15th of May, to avoid the penalty of the State law: those of Mississippi wished the 1st of January, 1840, to allow them to get in two more cotton crops before the great pay-day came. The result of the voting showed the still great power of the Bank of the United States. The delegates of the banks of ten States, including those with which she had most business, either refused to attend the convention, or to vote after having attended. The rest chiefly voted the late day, "*to favor the views of Philadelphia and Baltimore rather than those of New York*." So said the delegates, "*frankly avowing that their interests and sympathies were with the former two rather than with the latter*." The banks of the State of New York were then left to act alone – and did so. Simultaneously with the issue of the convention recommendation to resume on the first day of January, 1839, they issued another, recommending all the banks of the State of New York to resume on the 10th day of May, 1838; that is to say, within twenty-five days of that time. Those of the city declared their determination to begin on that day, or earlier, expressing their belief that they had nothing to fear but from the opposition and "deliberate animosity of others" – meaning the Bank of the United States. The New York banks all resumed at the day named. Their example was immediately followed by others, even by the institutions in those States whose delegates had voted for the long day; so that within sixty days thereafter the resumption was almost general, leaving the Bank of the United States uncovered, naked, and prominent at the head of all the delinquent banks in the Union. But her power was still great. Her stock stood at one hundred and twelve dollars to the share, being a premium of twelve dollars on the hundred. In Congress, which was still in session, not a tittle was abated of her pretensions and her assurance – her demands for a recharter – for the repeal of the specie circular – and for the condemnation of the administration, as the author of the misfortunes of the country; of which evils there were none except the bank suspensions, of which she had been the secret prime contriver and was now the detected promoter. Briefly before the New York resumption, Mr. Webster the great advocate of the Bank of the United States, and the truest exponent of her wishes, harangued the Senate in a set speech in her favor, of which some extracts will show the design and spirit:

> "And now, sir, we see the upshot of the experiment. We see around us bankrupt corporations and broken promises; but we see no promises more really and emphatically broken than all those promises of the administration which gave us assurance of a better currency. These promises, now broken, notoriously and openly broken, if they cannot be performed, ought, at least, to be acknowledged. The government ought not, in common fairness and common honesty, to deny its own responsibility, seek to escape from the demands of the people, and to hide itself, out of the way and beyond the reach of the process of public opinion, by retreating into this sub-treasury system. Let it, at least, come forth; let it bear a port of honesty and candor; let it confess its promises, if it cannot perform them; and, above all, now, even now, at this late hour, let it renounce schemes and projects, the inventions of presumption, and the resorts of desperation, and let it address itself, in all good faith, to the great work of restoring the currency by approved and constitutional means.
>
> "What say these millions of souls to the sub-treasury? In the first place, what says the city of New York, that great commercial emporium, worthy the gentleman's [Mr. Wright] commendation in 1834, and worthy of his commendation and my commendation, and all commendation, at all times? What sentiments, what opinions, what feelings, are proclaimed by the thousands of merchants, traders, manufacturers, and laborers? What is the united shout of all the voices of all her classes? What is it but that you will put down this new-fangled sub-treasury system,

alike alien to their interests and their feelings, at once, and for ever? What is it, but that in mercy to the mercantile interest, the trading interest, the shipping interest, the manufacturing interest, the laboring class, and all classes, you will give up useless and pernicious political schemes and projects, and return to the plain, straight course of wise and wholesome legislation? The sentiments of the city cannot be misunderstood. A thousand pens and ten thousand tongues, and a spirited press, make them all known. If we have not already heard enough, we shall hear more. Embarrassed, vexed, pressed and distressed, as are her citizens at this moment, yet their resolution is not shaken, their spirit is not broken; and, depend upon it, they will not see their commerce, their business, their prosperity and their happiness, all sacrificed to preposterous schemes and political empiricism, without another, and a yet more vigorous struggle.

"Sir, I think there is a revolution in public opinion now going on, whatever may be the opinion of the member from New York, or others. I think the fall elections prove this, and that other more recent events confirm it. I think it is a revolt against the absolute dictation of party, a revolt against coercion on the public judgment; and, especially, against the adoption of new mischievous expedients on questions of deep public interest; a revolt against the rash and unbridled spirit of change; a revolution, in short, against further revolution. I hope, most sincerely, that this revolution may go on; not, sir, for the sake of men, but for the sake of measures, and for the sake of the country. I wish it to proceed, till the whole country, with an imperative unity of voice, shall call back Congress to the true policy of the government.

"I verily believe a majority of the people of the United States are now of the opinion that a national bank, properly constituted, limited, and guarded, is both constitutional and expedient, and ought now to be established. So far as I can learn, three-fourths of the western people are for it. Their representatives here can form a better judgment; but such is my opinion upon the best information which I can obtain. The South may be more divided, or may be against a national institution; but, looking again to the centre, the North and the East, and comprehending the whole in one view, I believe the prevalent sentiment is such as I have stated.

"At the last session great pains were taken to obtain a vote of this and the other House against a bank, for the obvious purpose of placing such an institution out of the list of remedies, and so reconciling the people to the sub-treasury scheme. Well, sir, and did those votes produce any effect? None at all. The people did not, and do not, care a rush for them. I never have seen, or heard, a single man, who paid the slightest respect to those votes of ours. The honorable member, to-day, opposed as he is to a bank, has not even alluded to them. So entirely vain is it, sir, in this country, to attempt to forestall, commit, or coerce the public judgment. All those resolutions fell perfectly dead on the tables of the two Houses. We may resolve what we please, and resolve it when we please; but if the people do not like it, at their own good pleasure they will rescind it; and they are not likely to continue their approbation long to any system of measures, however plausible, which terminates in deep disappointment of all their hopes, for their own prosperity."

All the friends of the Bank of the United States came to her assistance in this last trial. The two halls of Congress resounded with her eulogium, and with condemnation of the measures of the administration. It was a last effort to save her, and to force her upon the federal government. Multitudes of speakers on one side brought out numbers on the other – among those on the side of the sub-treasury and hard money, and against the whole paper system, of which he considered a national bank the citadel, was the writer of this View, who undertook to collect into a speech, from

history and experience, the facts and reasons which would bear upon the contest, and act upon the judgment of candid men, and show the country to be independent of banks, if it would only will it. Some extracts from that speech make the next chapter.

CHAPTER XXI.
RESUMPTION OF SPECIE PAYMENTS: HISTORICAL NOTICES: MR. BENTON'S SPEECH: EXTRACTS

There are two of those periods, each marking the termination of a national bank charter, and each presenting us with the actual results of the operations of those institutions upon the general currency, and each replete with lessons of instruction applicable to the present day, and to the present state of things. The first of these periods is the year 1811, when the first national bank had run its career of twenty years, and was permitted by Congress to expire upon its own limitation. I take for my guide the estimate of Mr. Lloyd, then a senator in Congress from the State of Massachusetts, whose dignity of character and amenity of manners is so pleasingly remembered by those who served with him here, and whose intelligence and accuracy entitle his statements to the highest degree of credit. That eminent senator estimated the total currency of the country, at the expiration of the charter of the first national bank, at sixty millions of dollars, to wit: ten millions of specie, and fifty millions in bank notes. Now compare the two quantities, and mark the results. Our population has precisely doubled itself since 1811. The increase of our currency should, therefore, upon the same principle of increase, be the double of what it then was; yet it is three times as great as it then was! The next period which challenges our attention is the veto session of 1832, when the second Bank of the United States, according to the opinion of its eulogists, had carried the currency to the ultimate point of perfection. What was the amount then? According to the estimate of a senator from Massachusetts, then and now a member of this body [Mr. Webster], then a member of the Finance Committee, and with every access to the best information, the whole amount of currency was then estimated at about one hundred millions; to wit: twenty millions in specie, and seventy-five to eighty millions in bank notes. The increase of our population since that time is estimated at twenty per cent.; so that the increase of our currency, upon the basis of increased population, should also be twenty per cent. This would give an increase of twenty millions of dollars, making, in the whole, one hundred and twenty millions. Thus, our currency in actual existence, is nearly one-third more than either the ratio of 1811 or of 1832 would give. Thus, we have actually about fifty millions more, in this season of ruin and destitution, than we should have, if supplied only in the ratio of what we possessed at the two periods of what is celebrated as the best condition of the currency, and most prosperous condition of the country. So much for quantity; now for the solidity of the currency at these respective periods. How stands the question of solidity? Sir, it stands thus: in 1811, five paper dollars to one of silver; in 1822, four to one; in 1838, one to one, as near as can be! Thus, the comparative solidity of the currency is infinitely preferable to what it ever was before; for the increase, under the sagacious policy of General Jackson, has taken place precisely where it was needed – at the bottom, and not at the top; at the foundation, and not in the roof; at the base, and not at the apex. Our paper currency has increased but little; we may say nothing, upon the bases of 1811 and 1832; our specie has increased immeasurably; no less than eight-fold, since 1811, and four-fold since 1832. The whole increase is specie; and of that we have seventy millions more than in 1811, and sixty millions more than in 1832. Such are the fruits of General Jackson's policy! a policy which we only have to persevere in for a few years, to have our country as amply supplied with gold and silver as France and Holland are; that France and Holland in which gold is borrowed at three per cent. per annum, while we often borrow paper money at three per cent. a month.

But there is no specie. Not a ninepence to be got for a servant; not a picayune for a beggar; not a ten cent piece for the post-office. Such is the assertion; but how far is it true? Go to the banks, and present their notes at their counter, and it is all too true. No gold, no silver, no copper to be had there in redemption of their solemn promises to pay. Metaphorically, if not literally speaking, a demand

for specie at the counter of a bank might bring to the unfortunate applicant more kicks than coppers. But change the direction of the demand; go to the brokers; present the bank note there; no sooner said than done; gold and silver spring forth in any quantity; the notes are cashed; you are thanked for your custom, invited to return again; and thus, the counter of the broker, and not the counter of the bank, becomes the place for the redemption of the notes of the bank. The only part of the transaction that remains to be told, is the per centum which is shaved off! And, whoever will submit to that shaving, can have all the bank notes cashed which he can carry to them. Yes, Mr. President, the brokers, and not the bankers, now redeem the bank notes. There is no dearth of specie for that purpose. They have enough to cash all the notes of the banks, and all the treasury notes of the government into the bargain. Look at their placards! not a village, not a city, not a town in the Union, in which the sign-boards do not salute the eye of the passenger, inviting him to come in and exchange his bank notes, and treasury notes, for gold and silver. And why cannot the banks redeem, as well as the brokers? Why can they not redeem their own notes? Because a *veto* has issued from the city of Philadelphia, and because a political revolution is to be effected by injuring the country, and then charging the injury upon the folly and wickedness of the republican administrations. This is the reason, and the sole reason. The Bank of the United States, its affiliated institutions, and its political confederates, are the sole obstacles to the resumption of specie payments. They alone prevent the resumption. It is they who are now in terror lest the resumption shall begin and to prevent it, we hear the real shout, and feel the real application of the rallying cry, so pathetically uttered on this floor by the senator from Massachusetts [Mr. Webster] – *once more to the breach, dear friends, once more!*

Yes, Mr. President, the cause of the non-resumption of specie payments is now plain and undeniable. It is as plain as the sun at high noon, in a clear sky. No two opinions can differ about it, how much tongues may differ. The cause of not resuming is known, and the cause of suspension will soon be known likewise. Gentlemen of the opposition charge the suspension upon the folly, the wickedness, the insanity, the misrule, and misgovernment of the outlandish administration, as they classically call it; expressions which apply to the people who created the administration which have been so much vilified, and who have sanctioned their policy by repeated elections. The opposition charge the suspension to them – to their policy – to their acts – to the veto of 1832 – the removal of the deposits of 1833 – the Treasury order of 1836 – and the demand for specie for the federal Treasury. This is the charge of the politicians, and of all who follow the lead, and obey the impulsion of the denationalized Bank of the United States. But what say others whose voice should be potential, and even omnipotent, on this question? What say the New York city banks, where the suspension began, and whose example was alleged for the sole cause of suspension by all the rest? What say these banks, whose position is at the fountain-head of knowledge, and whose answer for themselves is an answer for all. What say they? Listen, and you shall hear! for I hold in my hand a report of a committee of these banks, made under an official injunction, by their highest officers, and deliberately approved by all the city institutions. It is signed by Messrs. Albert Gallatin, George Newbold, C. C. Lawrence, C. Heyer, J. J. Palmer, Preserved Fish, and G. A. Worth, – seven gentlemen of known and established character; and not more than one out of the seven politically friendly to the late and present administrations of the federal government. This is their report:

> "The immediate causes which thus compelled the banks of the city of New York to suspend specie payments on the 10th of May last, are well known. The simultaneous withdrawing of the large public deposits, and of excessive foreign credits, combined with the great and unexpected fall in the price of the principal article of our exports, with an import of corn and bread stuffs, such as had never before occurred, and with the consequent inability of the country, particularly in the south-western States, to make the usual and expected remittances, did, at one and the same time, fall principally and necessarily, on the greatest commercial emporium of the Union. After a long and most arduous struggle, during which the banks,

> though not altogether unsuccessfully, resisting the imperative foreign demand for the precious metals, were gradually deprived of a great portion of their specie; some unfortunate incidents of a *local* nature, operating in concert with other previous exciting causes, produced distrust and panic, and finally one of those general runs, which, if continued, no banks that issue paper money, payable on demand, can ever resist; and which soon put it out of the power of those of this city to sustain specie payments. The example was followed by the banks throughout the whole country, with as much *rapidity* as the news of the suspension in New York reached them, without waiting for an *actual run*; and principally, if not exclusively, on the alleged grounds of the effects to be apprehended from that suspension. Thus, whilst the New York city banks were almost *drained* of their specie, those in other places preserved the *amount* which they held before the final catastrophe."

These are the reasons! and what becomes now of the Philadelphia cry, re-echoed by politicians and subaltern banks, against the ruinous measures of the administration? Not a measure of the administration mentioned! not one alluded to! Not a word about the Treasury order; not a word about the veto of the National Bank charter; not a word about the removal of the deposits from the Bank of the United States; not a word about, the specie policy of the administration! Not one word about any act of the government, except that distribution act, disguised as a deposit law, which was a measure of Congress, and not of the administration, and the work of the opponents, and not the friends of the administration, and which encountered its only opposition in the ranks of those friends. I opposed it, with some half dozen others; and among my grounds of opposition, one was, that it would endanger the deposit banks, especially the New York city deposit banks, – that it would reduce them to the alternative of choosing between breaking their customers, and being broken themselves. This was the origin of that act – the work of the opposition on this floor; and now we find that very act to be the cause which is put at the head of all the causes which led to the suspension of specie payments. Thus, the administration is absolved. Truth has performed its office. A false accusation is rebuked and silenced. Censure falls where it is due; and the authors of the mischief stand exposed in the double malefaction of having done the mischief, and then charged it upon the heads of the innocent.

But, gentlemen of the opposition say, there can be no resumption until Congress "*acts upon the currency*." Until Congress acts upon the currency! that is the phrase! and it comes from Philadelphia; and the translation of it is, that there shall be no resumption until Congress submits to Mr. Biddle's bank, and recharters that institution. This is the language from Philadelphia, and the meaning of the language; but, happily, a different voice issues from the city of New York! The authentic notification is issued from the banks of that city, pledging themselves to resume by the 10th day of May. They declare their ability to resume, and to continue specie payments; and declare they have nothing to fear, except from "*deliberate hostility*" – an hostility for which they allege there can be no motive – but of which they delicately intimate there is danger. Philadelphia is distinctly unveiled as the seat of this danger. The resuming banks fear hostility – deliberate acts of hostility – from that quarter. They fear nothing from the hostility, or folly, or wickedness of this administration. They fear nothing from the Sub-Treasury bill. They fear Mr. Biddle's bank, and nothing else but his bank, with its confederates and subalterns. They mean to resume, and Mr. Biddle means that they shall not. Henceforth two flags will be seen, hoisted from two great cities. The New York flag will have the word resumption inscribed upon it; the Philadelphia flag will bear the inscription of non-resumption, and destruction to all resuming banks.

I have carefully observed the conduct of the leading banks in the United States. The New York banks, and the principal deposit banks, had a cause for stopping which no others can plead, or did plead. I announced that cause, not once, but many times, on this floor; not only during the passage of the distribution law, but during the discussion of those famous land bills, which passed this chamber; and one of which ordered a peremptory distribution of sixty-four millions, by not only

taking what was in the Treasury, but by reaching back, and taking all the proceeds of the land sales for years preceding. I then declared in my place, and that repeatedly, that the banks, having lent this money under our instigation, if called upon to reimburse it in this manner, must be reduced to the alternative of breaking their customers, or of being broken themselves. When the New York banks stopped, I made great allowances for them, but I could not justify others for the rapidity with which they followed their example; and still less can I justify them for their tardiness in following the example of the same banks in resuming. Now that the New York banks have come forward to redeem their obligations, and have shown that sensibility to their own honor, and that regard for the punctual performance of their promises, which once formed the pride and glory of the merchant's and the banker's character, I feel the deepest anxiety for their success in the great contest which is to ensue. Their enemy is a cunning and a powerful one, and as wicked and unscrupulous as it is cunning and strong. Twelve years ago, the president of that bank which now forbids other banks to resume, declared in an official communication to the Finance Committee of this body, "*that there were but few State banks which the Bank of the United States could not DESTROY by an exertion of its POWER*." Since that time it has become more powerful; and, besides its political strength, and its allied institutions, and its exhaustless mine of resurrection notes, it is computed by its friends to wield a power of one hundred and fifty millions of dollars! all at the beck and nod of one single man! for his automaton directors are not even thought of! The wielding of this immense power, and its fatal direction to the destruction of the resuming banks, presents the prospect of a fearful conflict ahead. Many of the local banks will doubtless perish in it; many individuals will be ruined; much mischief will be done to the commerce and to the business of different places; and all the destruction that is accomplished will be charged upon some act of the administration – no matter what – for whatever is given out from the Philadelphia head is incontinently repeated by all the obsequious followers, until the signal is given to open upon some new cry.

Sir, the honest commercial banks have resumed, or mean to resume. They have resumed, not upon the fictitious and delusive credit of legislative enactments, but upon the solid basis of gold and silver. The hundred millions of specie which we have accumulated in the country has done the business. To that hundred millions the country is indebted for this early, easy, proud and glorious resumption! – and here let us do justice to the men of this day – to the policy of General Jackson – and to the success of the experiments – to which we are indebted for these one hundred millions. Let us contrast the events and effects of the stoppages in 1814, and in 1819, with the events and effects of the stoppage in 1837, and let us see the difference between them, and the causes of that difference. The stoppage of 1814 compelled the government to use depreciated bank notes during the remainder of the war, and up to the year 1817. Treasury notes, even bearing a large interest, were depreciated ten, twenty, thirty per cent. Bank notes were at an equal depreciation. The losses to the government from depreciated paper in loans alone, during the war, were computed by a committee of the House of Representatives at eighty millions of dollars. Individuals suffered in the same proportion; and every transaction of life bore the impress of the general calamity. Specie was not to be had. There was, nationally speaking, none in the country. The specie standard was gone; the measure of values was lost; a fluctuating paper money, ruinously depreciated, was the medium of all exchanges. To extricate itself from this deplorable condition, the expedient of a National Bank was resorted to – that measure of so much humiliation, and of so much misfortune to the republican party. For the moment it seemed to give relief, and to restore national prosperity; but treacherous and delusive was the seeming boon. The banks resumed – relapsed – and every evil of the previous suspension returned upon the country with increased and aggravated force.

Politicians alone have taken up this matter and have proposed, for the first time since the foundation of the government – for the first time in 48 years – to compel the government to receive paper money for its dues. The pretext is, to aid the banks in resuming! This, indeed, is a marvellous pretty conception! Aid the banks to resume! Why, sir, we cannot prevent them from resuming. Every

solvent, commercial bank in the United States either has resumed, or has declared its determination to do so in the course of the year. The insolvent, and the political banks, which did not mean to resume, will have to follow the New York example, or die! Mr. Biddle's bank must follow the New York lead, or die! The good banks are with the country: the rest we defy. The political banks may resume or not, as they please, or as they dare. If they do not, they die! Public opinion, and the laws of the land, will exterminate them. If the president of the miscalled Bank of the United States has made a mistake in recommending indefinite non-resumption, and in proposing to establish a confederation of broken banks, and has found out his mistake, and wants a pretext for retreating, let him invent one. There is no difficulty in the case. Any thing that the government does, or does not – any thing that has happened, will happen, or can happen – will answer the purpose. Let the president of the Bank of the United States give out a tune: incontinently it will be sung by every bank man in the United States; and no matter how ridiculous the ditty may be, it will be celebrated as superhuman music.

But an enemy lies in wait for them! one that foretells their destruction, is able to destroy them, and which looks for its own success in their ruin. The report of the committee of the New York banks expressly refers to "*acts of deliberate hostility*" from a neighboring institution as a danger which the resuming banks might have to dread. The reference was plain to the miscalled Bank of the United States as the source of this danger. Since that time an insolent and daring threat has issued from Philadelphia, bearing the marks of its bank paternity, openly threatening the resuming banks of New York with destruction. This is the threat: "*Let the banks of the Empire State come up from their Elba, and enjoy their hundred days of resumption; a Waterloo awaits them, and a St. Helena is prepared for them.*" Here is a direct menace, and coming from a source which is able to make good what it threatens. Without hostile attacks, the resuming banks have a perilous process to go through. The business of resumption is always critical. It is a case of impaired credit, and a slight circumstance may excite a panic which may be fatal to the whole. The public having seen them stop payment, can readily believe in the mortality of their nature, and that another stoppage is as easy as the former. On the slightest alarm – on the stoppage of a few inconsiderable banks, or on the noise of a groundless rumor – a general panic may break out. *Sauve qui peut* – save himself who can – becomes the cry with the public; and almost every bank may be run down. So it was in England after the long suspension there from 1797 to 1823; so it was in the United States after the suspension from 1814 to 1817; in each country a second stoppage ensued in two years after resumption; and these second stoppages are like relapses to an individual after a spell of sickness: the relapse is more easily brought on than the original disease, and is far more dangerous.

The banks in England *suspended* in 1797 – they *broke* in 1825; in the United States it was a *suspension* during the war, and a *breaking* in 1819-20. So it may be again with us. There is imminent danger to the resuming banks, without the pressure of premeditated hostility; but, with that hostility, their prostration is almost certain. The Bank of the United States can crush hundreds on any day that it pleases. It can send out its agents into every State of the Union, with sealed orders to be opened on a given day, like captains sent into different seas; and can break hundreds of local banks within the same hour, and over an extent of thousands of miles. It can do this with perfect ease – the more easily with resurrection notes – and thus excite a universal panic, crush the resuming banks, and then charge the whole upon the government. This is what it can do; this is what it has threatened; and stupid is the bank, and doomed to destruction, that does not look out for the danger, and fortify against it. In addition to all these dangers, the senator from Kentucky, the author of the resolution himself, tells you that these banks must fail again! he tells you they will fail! and in the very same moment he presses the compulsory reception of all the notes on all these banks upon the federal treasury! What is this but a proposition to ruin the finances – to bankrupt the Treasury – to disgrace the administration – to demonstrate the incapacity of the State banks to serve as the fiscal agents of the government, and to gain a new argument for the creation of a national bank, and the elevation of the bank party

to power? This is the clear inference from the proposition; and viewing it in this light, I feel it to be my duty to expose, and to repel it, as a proposition to inflict mischief and disgrace upon the country.

But to return to the point, the contrast between the effects and events of former bank stoppages, and the effects and events of the present one. The effects of the former were to sink the price of labor and of property to the lowest point, to fill the States with stop laws, relief laws, property laws, and tender laws; to ruin nearly all debtors, and to make property change hands at fatal rates; to compel the federal government to witness the heavy depreciation of its treasury notes, to receive its revenues in depreciated paper; and, finally, to submit to the establishment of a national bank as the means of getting it out of its deplorable condition – that bank, the establishment of which was followed by the seven years of the greatest calamity which ever afflicted the country; and from which calamity we then had to seek relief from the tariff, and not from more banks. How different the events of the present time! The banks stopped in May, 1837; they resume in May, 1838. Their paper depreciated but little; property, except in a few places, was but slightly affected; the price of produce continued good; people paid their debts without sacrifices; treasury notes, in defiance of political and moneyed combinations to depress them, kept at or near par; in many places above it; the government was never brought to receive its revenues in depreciated paper; and finally all good banks are resuming in the brief space of a year; and no national bank has been created. Such is the contrast between the two periods; and now, sir, what is all this owing to? what is the cause of this great difference in two similar periods of bank stoppages? It is owing to our gold bill of 1834, by which we corrected the erroneous standard of gold, and which is now giving us an avalanche of that metal; it is owing to our silver bill of the same year, by which we repealed the disastrous act of 1819, against the circulation of foreign silver, and which is now spreading the Mexican dollars all over the country; it is owing to our movements against small notes under twenty dollars; to our branch mints, and the increased activity of the mother mint; to our determination to revive the currency of the constitution, and to our determination not to fall back upon the local paper currencies of the States for a national currency. It was owing to these measures that we have passed through this bank stoppage in a style so different from what has been done heretofore. It is owing to our "*experiments*" on the currency – to our "*humbug*" of a gold and silver currency – to our "*tampering*" with the monetary system – it is owing to these that we have had this signal success in this last stoppage, and are now victorious over all the prophets of woe, and over all the architects of mischief. These *experiments*, this *humbugging*, and this *tampering*, has increased our specie in six years from twenty millions to one hundred millions; and it is these one hundred millions of gold and silver which have sustained the country and the government under the shock of the stoppage – has enabled the honest solvent banks to resume, and will leave the insolvent and political banks without excuse or justification for not resuming. Our experiments – I love the word, and am sorry that gentlemen of the opposition have ceased to repeat it – have brought an avalanche of gold and silver into the country; it is saturating us with the precious metals, it has relieved and sustained the country; and now when these experiments have been successful – have triumphed over all opposition – gentlemen cease their ridicule, and go to work with their paper-money resolutions to force the government to use paper, and thereby to drive off the gold and silver which our policy has brought into the country, destroy the specie basis of the banks, give us an exclusive paper currency again, and produce a new expansion and a new explosion.

Justice to the men of this day requires these things to be stated. They have avoided the errors of 1811. They have avoided the pit into which they saw their predecessors fall. Those who prevented the renewal of the bank charter in 1811, did nothing else but prevent its renewal; they provided no substitute for the notes of the bank; did nothing to restore the currency of the constitution; nothing to revive the gold currency; nothing to increase the specie of the country. They fell back upon the exclusive use of local bank notes, without even doing any thing to strengthen the local banks, by discarding their paper under twenty dollars. They fell back upon the local banks; and the consequence was, the total prostration, the utter helplessness, the deplorable inability of the government to take

care of itself, or to relieve and restore the country, when the banks failed. Those who prevented the recharter of the second Bank of the United States had seen all this; and they determined to avoid such error and calamity. They set out to revive the national gold currency, to increase the silver currency, and to reform and strengthen the banking system. They set out to do these things; and they have done them. Against a powerful combined political and moneyed confederation, they have succeeded; and the one hundred millions of gold and silver now in the country attests the greatness of their victory, and insures the prosperity of the country against the machinations of the wicked and the factious.

CHAPTER XXII.
MR. CLAY'S RESOLUTION IN FAVOR OF RESUMING BANKS, AND MR. BENTON'S REMARKS UPON IT

After the New York banks had resolved to recommence specie payments, and before the day arrived for doing so, Mr. Clay submitted a resolution in the Senate to promote resumption by making the notes of the resuming banks receivable in payment of all dues to the federal government. It was clearly a movement in behalf of the delinquent banks, as those of New York, and others, had resolved to return to specie payments without requiring any such condition. Nevertheless he placed the banks of the State of New York in the front rank for the benefits to be received under his proposed measure. They had undertaken to recommence payments, he said, not from any ability to do so, but from compulsion under a law of the State. The receivability of their notes in payment of all federal dues would give them a credit and circulation which would prevent their too rapid return for redemption. So of others. It would be a help to all in getting through the critical process of resumption; and in helping them would benefit the business and prosperity of the country. He thought it wise to give that assistance; but reiterated his opinion that, nothing but the establishment of a national bank would effectually remedy the evils of a disordered currency, and permanently cure the wounds under which the country was now suffering. Mr. Benton replied to Mr. Clay, and said:

This resolution of the senator from Kentucky [Mr. Clay], is to aid the banks to resume – to aid, encourage, and enable them to resume. This is its object, as declared by its mover; and it is offered here after the leading banks have resumed, and when no power can even prevent the remaining solvent banks from resuming. Doubtless, immortal glory will be acquired by this resolution! It can be heralded to all corners of the country, and celebrated in all manner of speeches and editorials, as the miraculous cause of an event which had already occurred! Yes, sir – already occurred! for the solvent banks have resumed, are resuming, and will resume. Every solvent bank in the United States will have resumed in a few months, and no efforts of the insolvents and their political confederates can prevent it. In New York the resumption is general; in Massachusetts, Rhode Island, Maine, and New Jersey, it is partial; and every where the solvent banks are preparing to redeem the pledge which they gave when they stopped – *that of resuming whenever New York did*. The insolvent and political banks will not resume at all, or, except for a few weeks, to fail again, make a panic and a new run upon the resuming banks – stop them, if possible, then charge it upon the administration, and recommence their lugubrious cry for a National Bank.

The resumption will take place. The masses of gold and silver pouring into the country under the beneficent effects of General Jackson's hard-money policy, will enable every solvent bank to resume; a moral sense, and a fear of consequences, will compel them to do it. The importations of specie are now enormous, and equalling every demand, if it was not suppressed. There can be no doubt but that the quantity of specie in the country is equal to the amount of bank notes in circulation – that they are dollar for dollar – that the country is better off for money at this day than it ever was before, though shamefully deprived of the use of gold and silver by the political and insolvent part of the banks and their confederate politicians.

The solvent banks will resume, and Congress cannot prevent them if it tried. They have received the aid which they need in the $100,000,000 of gold and silver which now relieves the country, and distresses the politicians who predicted no relief, until a national bank was created. Of the nine hundred banks in the country, there are many which never can resume, and which should not attempt it, except to wind up their affairs. Many of these are rotten to the core, and will fall to pieces the instant they are put to the specie test. Some of them even fail now for rags; several have so failed in Massachusetts and Ohio, to say nothing of those called wild cats – the progeny of a general banking

law in Michigan. We want a resumption to discriminate between banks, and to save the community from impositions.

We wanted specie, and we have got it. Five years ago – at the veto session of 1832 – there were but twenty millions in the country. So said the senator from Massachusetts who has just resumed his seat [Mr. Webster]. We have now, or will have in a few weeks, one hundred millions. This is the salvation of the country. It compels resumption, and has defeated all the attempts to scourge the country into a submission to a national bank. While that one hundred millions remains, the country can place at defiance the machinations of the Bank of the United States, and its confederate politicians, to perpetuate the suspension, and to continue the reign of rags and shin-plasters. Their first object is to get rid of these hundred millions, and all schemes yet tried have failed to counteract the Jacksonian policy. Ridicule was tried first; deportation of specie was tried next; a forced suspension has been continued for a year; the State governments and the people were vanquished, still the specie came in, because the federal government created a demand for it. This firm demand has frustrated all the schemes to drive off specie, and to deliver up the country to the dominion of the paper-money party. This demand has been the stumbling block of that party; and this resolution now comes to remove that stumbling block. It is the most revolting proposition ever made in this Congress! It is a flagrant violation of the constitution, by making paper money a tender both to and from the government. It is fraught with ruin and destruction to the public property, the public Treasury, and the public creditors. The notes of nine hundred banks are to be received into the Treasury, and disbursed from the Treasury. They are to be paid out as well as paid in. The ridiculous proviso of willingness to receive them on the part of the public creditor is an insult to him; for there is no choice – it is that or nothing. The disbursing officer does not offer hard money with one hand, and paper with the other, and tell the creditor to take his choice. No! he offers paper or nothing! To talk of willingness, when there is no choice, is insult, mockery and outrage. Great is the loss of popularity which this administration has sustained from paying out depreciated paper; great the deception which has been practised upon the government in representing this paper as being willingly received. Necessity, and not good will, ruled the creditor; indignation, resentment, and execrations on the administration, were the thanks with which he received it. This has disgraced and injured the administration more than all other causes put together; it has lost it tens of thousands of true friends. It is now getting into a condition to pay hard money; and this resolution comes to prevent such payment, and to continue and to perpetuate the ruinous paper-money payments. Defeat the resolution, and the government will quickly pay all demands upon it in gold and silver, and will recover its popularity; pass it, and paper money will continue to be paid out, and the administration will continue to lose ground.

The resolution proposes to make the notes of 900 banks the currency of the general government, and the mover of the resolution tells you, at the same time, that all these banks will fail! that they cannot continue specie payments if they begin! that nothing but a national bank can hold them up to specie payments, and that we have no such bank. This is the language of the mover; it is the language, also, of all his party; more than that – it is the language of Mr. Biddle's letter – that letter which is the true exposition of the principles and policy of the opposition party. Here, then, is a proposition to compel the administration, by law, to give up the public lands for the paper of banks which are to fail – to fill the Treasury with the paper of such banks – and to pay out such paper to the public creditors. This is the proposition, and it is nothing but another form of accomplishing what was attempted in this chamber a few weeks ago, namely, a direct receipt of irredeemable paper money! That proposition was too naked and glaring; it was too rank and startling; it was rebuked and repulsed. A circuitous operation is now to accomplish what was then too rashly attempted by a direct movement. Receive the notes of 900 banks for the lands and duties; these 900 banks will all fail again; – so says the mover, because there is no king bank to regulate them. We have then lost our lands and revenues, and filled our Treasury with irredeemable paper. This is just the point aimed at by the original proposition to receive irredeemable paper in the first instance: it ends in the reception of such paper. If the

resolution passes, there will be another explosion: for the receivability of these notes for the public dues, and especially for the public lands, will run out another vast expansion of the paper system – to be followed, of course, by another general explosion. The only way to save the banks is to hold them down to specie payments. To do otherwise, and especially to do what this resolution proposes, is to make the administration the instrument of its own disgrace and degradation – to make it join in the ruin of the finances and the currency – in the surrender of the national domain for broken bank paper – and in producing a new cry for a national bank, as the only remedy for the evils it has produced.

[The measure proposed by Mr. Clay was defeated, and the *experiment* of a specie currency for the government was continued.]

CHAPTER XXIII.
RESUMPTION BY THE PENNSYLVANIA UNITED STATES BANK; AND OTHERS WHICH FOLLOWED HER LEAD

The resumption by the New York banks had its effect. Their example was potent, either to suspend or resume. All the banks in the Union had followed their example in stopping specie payments: more than half of them followed them in recommencing payments. Those which did not recommence became obnoxious to public censure, and to the suspicion of either dishonesty or insolvency. At the head of this delinquent class stood the Bank of the United States, justly held accountable by the public voice for the delinquency of all the rest. Her position became untenable. She was compelled to descend from it; and, making a merit of necessity, she affected to put herself at the head of a general resumption; and in pursuance of that idea invited, in the month of July, through a meeting of the Philadelphia banks, a general meeting in that city on the 25th of that month, to consult and fix a time for resumption. A few banks sent delegates; others sent letters, agreeing to whatever might be done. In all there were one hundred and forty delegates, or letters, from banks in nine States; and these delegates and letters forming themselves into a general convention of banks, passed a resolution for a general resumption on the 13th of August ensuing. And thus ended this struggle to act upon the government through the distresses of the country, and coerce it into a repeal of the specie circular – into a recharter of the United States Bank – the restoration of the deposits – and the adoption of the notes of this bank for a national currency. The game had been overplayed. The public saw through it, and derived a lesson from it which put bank and state permanently apart, and led to the exclusive use of gold and silver by the federal government; and the exclusive keeping of its own moneys by its own treasurers. All right-minded people rejoiced at the issue of the struggle; but there were some that well knew that the resumption on the part of the Bank of the United States was hollow and deceptive – that she had no foundations, and would stop again, and for ever I said this to Mr. Van Buren at the time, and he gave the opinion I expressed a better acceptance than he had accorded to the previous one in February, 1837. Parting from him at the end of the session, 1838-'39, I said to him, this bank would stop before we meet again; that is to say, before I should return to Congress. It did so, and for ever. At meeting him the ensuing November, he was the first to remark upon the truth of these predictions.

CHAPTER XXIV.
PROPOSED ANNEXATION OF TEXAS: MR. PRESTON'S MOTION AND SPEECH: EXTRACTS

The republic of Texas had now applied for admission into the federal Union, as one of its States. Its minister at Washington, Memucan Hunt, Esq., had made the formal application to our executive government. That was one obstacle in the way of annexation removed. It was no longer an insult to her to propose to annex her; and she having consented, it referred the question to the decision of the United States. But there was still another objection, and which was insuperable: Texas was still at war with Mexico; and to annex her was to annex the war – a consequence which morality and policy equally rejected. Mr. Preston, of South Carolina, brought in a resolution on the subject – not for annexation, but for a legislative expression in favor of the measure, as a basis for a tripartite treaty between the United States, Mexico and Texas; so as to effect the annexation by the consent of all parties, to avoid all cause of offence; and unite our own legislative with the executive authority in accomplishing the measure. In support of this motion, he delivered a speech which, as showing the state of the question at the time, and presenting sound views, and as constituting a link in the history of the Texas annexation, is here introduced – some extracts to exhibit its leading ideas.

> "The proposition which I now submit in regard to this prosperous and self-dependent State would be indecorous and presumptuous, had not the lead been given by Texas herself. It appears by the correspondence of the envoy extraordinary of that republic with our own government, that the question of annexation on certain terms and conditions has been submitted to the people of the republic, and decided in the affirmative by a very large majority; whereupon, and in pursuance of instructions from his government, he proposes to open a negotiation for the accomplishment of that object. The correspondence has been communicated upon a call from the House of Representatives, and thus the proposition becomes a fit subject for the deliberation of Congress. Nor is it proposed by my resolution, Mr. President, to do any thing which could be justly construed into cause of offence by Mexico. The terms of the resolution guard our relations with that republic; and the spirit in which it is conceived is entirely averse to any compromise of our national faith and honor, for any object, of whatever magnitude. More especially would I have our intercourse with Mexico characterized by fair dealing and moderation, on account of her unfortunate condition, resulting from a long-continued series of intestine dissensions, which all who have not been born to liberty must inevitably encounter in seeking for it. As long, therefore, as the pretensions of Mexico are attempted to be asserted by actual force, or as long as there is any reasonable prospect that she has the power and the will to resubjugate Texas, I do not propose to interfere. My own deliberate conviction, to be sure, is, that that period has already passed; and I beg leave to say that, in my judgment, there is more danger of an invasion and conquest of Mexico by Texas, than that this last will ever be reannexed to Mexico.
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> "I disavow, Mr. President, all hostile purposes, or even ill temper, towards Mexico; and I trust that I impugn neither the policy nor principles of the administration. I therefore feel myself at liberty to proceed to the discussion of the points made in the resolution, entirely disembarrassed of any preliminary obstacle, unless, indeed, the mode by which so important an act is to be effected may be considered as interposing a difficulty. If the object itself be within the competency

of this government, as I shall hereafter endeavor to show, and both parties consent, every means mutually agreed upon would establish a joint obligation. The acquisition of new territory has heretofore been effected by treaty, and this mode of proceeding in regard to Texas has been proposed by her minister; but I believe it would comport more with the importance of the measure, that both branches of the government should concur, the legislature expressing a previous opinion; and, this being done, all difficulties, of all kinds whatsoever, real or imaginary, might be avoided by a treaty tripartite between Mexico, Texas, and the United States, in which the assent and confirmation of Mexico (for a pecuniary consideration, if you choose) might be had, without infringing the acknowledged independence and free agency of Texas.

"The treaty, Mr. President, of 1819, was a great oversight on the part of the Southern States. We went into it blindly, I must say. The great importance of Florida, to which the public mind was strongly awakened at that time by peculiar circumstances, led us precipitately into a measure by which we threw a gem away that would have bought ten Floridas. Under any circumstances, Florida would have been ours in a short time; but our impatience induced us to purchase it by a territory ten times as large – a hundred times as fertile, and to give five millions of dollars into the bargain. Sir, I resign myself to what is done; I acquiesce in the inexorable past; I propose no wild and chimerical revolution in the established order of things, for the purpose of remedying what I conceive to have been wrong originally. But this I do propose: that we should seize the fair and just occasion now presented to remedy the mistake which was made in 1819; that we should repair as far as we can the evil effect of a breach of the constitution; that we should re-establish the integrity of our dismembered territory, and get back into our Union, by the just and honorable means providentially offered to us, that fair and fertile province which, in an evil hour, we severed from the confederacy.

"But the boundary line established by the treaty of 1819 not only deprives us of this extensive and fertile territory, but winds with "a deep indent" upon the valley of the Mississippi itself, running upon the Red River and the Arkansas. It places a foreign nation in the rear of our Mississippi settlements, and brings it within a stone's throw of that great outlet which discharges the commerce of half the Union. The mouth of the Sabine and the mouth of the Mississippi are of a dangerous vicinity. The great object of the purchase of Louisiana was to remove all possible interference of foreign States in the vast commerce of the outlet of so many States. By the cession of Texas, this policy was, to a certain extent, compromised.

"The committee, it appears to me, has been led to erroneous conclusions on this subject by a fundamental mistake as to the nature and character of our government; a mistake which has pervaded and perverted all its reasoning, and has for a long time been the abundant source of much practical mischief in the action of this government, and of very dangerous speculation. The mistake lies in considering this, as to its nature and powers, a consolidated government of one people, instead of a confederated government of many States. There is no one single act performed by the people of the United States, under the constitution, *as one people*. Even in the popular branch of Congress this distinction is maintained. A certain number of delegates is assigned to each State, and the people of each State elect for their own State. When the functionaries of the government assemble here, they have no source of power but the constitution, which prescribes, defines, and limits their action, and constitutes them, in their aggregate capacity, a trust or agency, for the performance of certain duties confided to them by various

States or communities. This government is, therefore, a confederacy of sovereign States, associating themselves together for mutual advantages. They originally came together as sovereign States, having no authority and pretending to no power of reciprocal control. North Carolina and Rhode Island stood off for a time, refusing to join the confederacy, and at length came into it by the exercise of a sovereign discretion. So too of Missouri, who was a State fully organized and perfect, and self-governed, before she was a State of this Union; and, in the very nature of things, this has been the case with all the States heretofore admitted, and must always continue to be so. Where, then, is the difficulty of admitting another State into this confederacy? The power to admit new States is expressly given. "New States may be admitted by the Congress into this Union." By the very terms of the grant, they must be *States* before they are admitted; when admitted, they become States *of the Union*. The terms, restrictions, and principles upon which new States are to be received, are matters to be regulated by Congress, under the constitution.

"Heretofore, in the acquisition of Louisiana and Florida, France and Spain both stipulated that the inhabitants of the ceded territories should be incorporated in the Union of the United States as soon as may be consistent with the principles of the federal constitution, and admitted to all the privileges, rights, and immunities of the citizens of the United States. In compliance with this stipulation, Louisiana, Arkansas, and Missouri have been admitted into the Union, and at no distant day Florida will be. Now, if we contract with France and Spain for the admission of States, why shall we not with Texas? If France can sell to us her subjects and her territory, why cannot the people of Texas give themselves and their territory to us? Is it more consistent with our republican notions that men and territory can be transferred by the arbitrary will of a monarch, for a price, than that a free people may be associated with us by mutual consent?

"It is supposed that there is a sort of political impossibility, resulting from the nature of things, to effect the proposed union. The committee says that "the measure is in fact the union of *two* independent governments." Certainly the *union* of twenty-seven "independent governments;" but the committee adds, that it should rather be termed the dissolution of both, and the formation of a new one, which, whether founded on the same or another written constitution, is, as to its identity, different from either. This can only be effected by the *summum jus*, &c.

"A full answer to this objection, even if many others were not at hand, as far as Texas is concerned, is contained in the fact that the *summum jus* has been exercised.

"Her citizens, by a unanimous vote, have decided in favor of annexation; and, according to the admission of the committee, this is sufficiently potent to dissolve their government, and to surrender themselves to be absorbed by ours. To receive this augmentation of our territory and population, manifestly does not dissolve this government, or even remodel it. Its identity is not disturbed. There is no appeal necessary to the *summum jus populi* for such a political arrangement on our part, even if the *summum jus populi* could be predicated of this government, which it cannot. Now, it is very obvious that two free States may associate for common purposes, and that these common purposes may be multiplied in number or increased in importance at the discretion of the parties. They may establish a common agency for the transaction of their business; and this may include a portion or all of their political functions. The new creation may be an agency if created by States, or a government if created by the people; for the people have a right to

abolish and create governments. Does any one doubt whether Texas could rejoin the republic of Mexico? Why not, then, *re*join this republic?

"No one doubts that the States now composing this Union might have joined Great Britain after the declaration of independence. The learned committee would not contend that there was a political impossibility in the union of Scotland and England, or of Ireland and Britain; or that, in the nature of things, it would be impossible for Louisiana, if she were a sovereign State out of this Union, to join with the sovereign State of Texas in forming a new government.

"There is no point of view in which the proposition for annexation can be considered, that any serious obstacle in point of form presents itself. If this government be a confederation of States, then it is proposed to add another State to the confederacy. If this government be a consolidation, then it is proposed to add to it additional territory and population. That we can annex, and afterwards admit, the cases of Florida and Louisiana prove. We can, therefore, deal with the people of Texas for the territory of Texas, and the people can be secured in the rights and privileges of the constitution, as were the subjects of Spain and France.

"The Massachusetts legislature experience much difficulty in ascertaining the mode of action by which the proposed annexation can be effected, and demand "in what form would be the practical exercise of the supposed power? In what department does it lie?" The progress of events already, in a great measure, answers this objection. Texas has taken the initiative. Her minister has introduced the subject to that department which is alone capable of receiving communications from foreign governments, and the executive has submitted the correspondence to Congress. The resolutions before you propose an expression of opinion by Congress, which, if made, the executive will doubtless address itself earnestly, in conjunction with the authorities of Texas, to the consummation of the joint wishes of the parties, which can be accomplished by treaty, emanating from one department of this government, to be carried into effect by the passage of all needful laws by the legislative department, and by the exercise of the express power of Congress to admit new States."

The proposition of Mr. Preston did not prevail; the period for the annexation of Texas had not yet arrived. War still existing between Mexico and Texas – the *status* of the two countries being that of war, although hostilities hardly existed – a majority of the Senate deemed it unadvisable even to take the preliminary steps towards annexation which his resolution proposed. A motion to lay the proposition on the table prevailed, by a vote of 24 to 14.

CHAPTER XXV.
DEBATE BETWEEN MR. CLAY AND MR. CALHOUN, PERSONAL AND POLITICAL, AND LEADING TO EXPOSITIONS AND VINDICATIONS OF PUBLIC CONDUCT WHICH BELONG TO HISTORY

For seven years past Mr. Calhoun, while disclaiming connection with any party, had acted on leading measures with the opposition, headed by Messrs. Clay and Webster. Still disclaiming any such connection, he was found at the extra session co-operating with the administration. His co-operation with the opposition had given it the victory in many eventful contests in that long period; his co-operation with the Van Buren administration might turn the tide of victory. The loss or gain of a chief who in a nearly balanced state of parties, could carry victory to the side which he espoused, was an event not to be viewed without vexation by the party which he left. Resentment was as natural on one side as gratification was on the other. The democratic party had made no reproaches – (I speak of the debates in Congress) – when Mr. Calhoun left them; they debated questions with him as if there had been no cause for personal complaint. Not so with the opposition now when the course of his transit was reversed, and the same event occurred to themselves. They took deeply to heart this withdrawal of one of their leaders, and his appearance on the other side. It created a feeling of personal resentment against Mr. Calhoun which had manifested itself in several small side-blows at the extra session; and it broke out into systematic attack at the regular one. Some sharp passages took place between himself and Mr. Webster, but not of a kind to lead to any thing historical. He (Mr. Webster) was but slightly inclined towards that kind of speaking which mingles personality with argument, and lessens the weight of the adversary argument by reducing the weight of the speaker's character. Mr. Clay had a turn that way; and, certainly, a great ability for it. Invective, mingled with sarcasm, was one of the phases of his oratory. He was supreme at a *philippic* (taken in the sense of Demosthenes and Cicero), where the political attack on a public man's measure was to be enforced and heightened by a personal attack on his conduct. He owed much of his fascinating power over his hearers to the exercise of this talent – always so captivating in a popular assembly, and in the galleries of the Senate; not so much so in the Senate itself; and to him it naturally fell to become the organ of the feelings of his party towards Mr. Calhoun. And very cordially, and carefully, and amply, did he make preparation for it.

The storm had been gathering since September: it burst in February. It had been evidently waiting for an occasion: and found it in the first speech of Mr. Calhoun, of that session, in favor of Mr. Van Buren's recommendation for an independent treasury and a federal hard-money currency. This speech was delivered the 15th of February, and was strictly argumentative and parliamentary, and wholly confined to its subject. Four days thereafter Mr. Clay answered it; and although ready at an extemporaneous speech, he had the merit, when time permitted, of considering well both the matter and the words of what he intended to deliver. On this occasion he had had ample time; for the speech of Mr. Calhoun could not be essentially different from the one he delivered on the same subject at the extra session; and the personal act which excited his resentment was of the same date. There had been six months for preparation; and fully had preparation been made. The whole speech bore the impress of careful elaboration and especially the last part; for it consisted of two distinct parts – the first, argumentative, and addressed to the measure before the Senate: and was in fact, as well as in name, a reply. The second part was an attack, under the name of a reply, and was addressed to the personal conduct of Mr. Calhoun, reproaching him with his desertion (as it was called), and taunting him with the company he had got into – taking care to remind him of his own former sad account

of that company: and then, launching into a wider field, he threw up to him all the imputed political delinquencies of his life for near twenty years – skipping none from 1816 down to the extra session; – although he himself had been in close political friendship with this alleged delinquent during the greater part of that long time. Mr. Calhoun saw at once the advantage which this general and sweeping assault put into his hands. Had the attack been confined to the mere circumstance of quitting one side and joining the other, it might have been treated as a mere personality; and, either left unnoticed, or the account settled at once with some ready words of retort and justification. But in going beyond the act which gave the offence – beyond the cause of resentment, which was recent, and arraigning a member on the events of almost a quarter of a century of public life, he went beyond the limits of the occasion, and gave Mr. Calhoun the opportunity of explaining, or justifying, or excusing all that had ever been objected to him; and that with the sympathy in the audience with which attack for ever invests the rights of defence. He saw his advantage, and availed himself of it. Though prompt at a reply, he chose to make none in a hurry. A pause ensued Mr. Clay's conclusion, every one deferring to Mr. Calhoun's right of reply. He took the floor, but it was only to say that he would reply at his leisure to the senator from Kentucky.

He did reply, and at his own good time, which was at the end of twenty days; and in a way to show that he had "smelt the lamp," not of Demades, but of Demosthenes, during that time. It was profoundly meditated and elaborately composed: the matter solid and condensed; the style chaste, terse and vigorous; the narrative clear; the logic close; the sarcasm cutting: and every word bearing upon the object in view. It was a masterly oration, and like Mr. Clay's speech, divided into two parts; but the second part only seemed to occupy his feelings, and bring forth words from the heart as well as from the head. And well it might! He was speaking, not for life, but for character! and defending public character, in the conduct which makes it, and on high points of policy, which belonged to history – defending it before posterity and the present age, impersonated in the American Senate, before which he stood, and to whom he appealed as judges while invoking as witnesses. He had a high occasion, and he felt it; a high tribunal to plead before, and he rejoiced in it; a high accuser, and he defied him; a high stake to contend for, his own reputation: and manfully, earnestly, and powerfully did he defend it. He had a high example both in oratory, and in the analogies of the occasion, before him; and well had he looked into that example. I happened to know that in this time he refreshed his reading of the Oration on the Crown; and, as the delivery of his speech showed, not without profit. Besides its general cast, which was a good imitation, there were passages of a vigor and terseness – of a power and simplicity – which would recall the recollection of that masterpiece of the oratory of the world. There were points of analogy in the cases as well as in the speeches, each case being that of one eminent statesman accusing another, and before a national tribunal, and upon the events of a public life. More happy than the Athenian orator, the American statesman had no foul imputations to repel. Different from Æschines and Demosthenes, both himself and Mr. Clay stood above the imputation of corrupt action or motive. If they had faults, and what public man is without them? they were the faults of lofty natures – not of sordid souls; and they looked to the honors of their country – not its plunder – for their fair reward.

When Mr. Calhoun finished, Mr. Clay instantly arose, and rejoined – his rejoinder almost entirely directed to the personal part of the discussion, which from its beginning had been the absorbing part. Much stung by Mr. Calhoun's reply, who used the sword as well as the buckler, and with a keen edge upon it, he was more animated and sarcastic in the rejoinder than in the first attack. Mr. Calhoun also rejoined instantly. A succession of brief and rapid rejoinders took place between them (chiefly omitted in this work), which seemed running to infinity, when Mr. Calhoun, satisfied with what he had done, pleasantly put an end to it by saying, he saw the senator from Kentucky was determined to have the last word; and he would yield it to him. Mr. Clay, in the same spirit, disclaimed that desire; and said no more. And thus the exciting debate terminated with more courtesy than that with which it had been conducted.

In all contests of this kind there is a feeling of violated decorum which makes each party solicitous to appear on the defensive, and for that purpose to throw the blame of commencing on the opposite side. Even the one that palpably throws the first stone is yet anxious to show that it was a defensive throw; or at least provoked by previous wrong. Mr. Clay had this feeling upon him, and knew that the *onus* of making out a defensive case fell upon him; and he lost no time in endeavoring to establish it. He placed his defence in the forepart of the attack. At the very outset of the personal part of his speech he attended to this essential preliminary, and found the justification, as he believed, in some expressions of Mr. Calhoun in his sub-treasury speech; and in a couple of passages in a letter he had written on a public occasion, after his return from the extra session – commonly called the Edgefield letter. In the speech he believed he found a reproach upon the patriotism of himself and friends in not following his (Mr. Calhoun's) "*lead*" in support of the administration financial and currency measures; and in the letter, an impeachment of the integrity and patriotism of himself and friends if they got into power; and also an avowal that his change of sides was for selfish considerations. The first reproach, that of lack of patriotism in not following Mr. Calhoun's lead, he found it hard to locate in any definite part of the speech; and had to rest it upon general expressions. The others, those founded upon passages in the letter, were definitely quoted; and were in these terms: "*I could not back and sustain those in such opposition in whose wisdom, firmness and patriotism I had no reason to confide." – "It was clear, with our joint forces (whigs and nullifiers) we could utterly overthrow and demolish them; but it was not less clear that the victory would enure, not to us, but exclusively to the benefit of our allies, and their cause.*" These passages were much commented upon, especially in the rejoinders; and the whole letter produced by Mr. Calhoun, and the meaning claimed for them fully stated by him.

In the speeches for and against the crown we see Demosthenes answering what has not been found in the speech of Eschines: the same anomaly took place in this earnest debate, as reported between Mr. Clay and Mr. Calhoun. The latter answers much which is not found in the published speech to which he is replying. It gave rise to some remark between the speakers during the rejoinders. Mr. Calhoun said he was replying to the speech as spoken. Mr. Clay said it was printed under his supervision – as much as to say he sanctioned the omissions. The fact is, that with a commendable feeling, he had softened some parts, and omitted others; for that which is severe enough in speaking, becomes more so in writing; and its omission or softening is a tacit retraction, and honorable to the cool reflection which condemns what passion, or heat, had prompted. But Mr. Calhoun did not accept the favor: and, neither party desiring quarter, the one answered what had been dropt, and the other re-produced it, with interest. In his rejoinders, Mr. Clay supplied all that had been omitted – and made additions to it.

This contest between two eminent men, on a theatre so elevated, in which the stake to each was so great, and in which each did his best, conscious that the eye of the age and of posterity was upon him, was an event in itself, and in their lives. It abounded with exemplifications of all the different sorts of oratory of which each was master: on one side – declamation, impassioned eloquence, vehement invective, taunting sarcasm: on the other – close reasoning, chaste narrative, clear statement, keen retort. Two accessories of such contests (disruptions of friendships), were missing, and well – the pathetic and the virulent. There was no crying, or blackguarding in it – nothing like the weeping scene between Fox and Burke, when the heart overflowed with tenderness at the recollection of former love, now gone forever; nor like the virulent one when the gall, overflowing with bitterness, warned an ancient friend never to return as a spy to the camp which he had left as a deserter.

There were in the speeches of each some remarkable passages, such only as actors in the scenes could furnish, and which history will claim. Thus: Mr. Clay gave some inside views of the concoction of the famous compromise act of 1833; which, so far as they go, correspond with the secret history of the same concoction as given in one of the chapters on that subject in the first volume of this

work. Mr. Clay's speech is also remarkable for the declaration that the protective system, which he so long advocated, was never intended to be permanent: that its only design was to give temporary encouragement to infant manufactures: and that it had fulfilled its mission. Mr. Calhoun's speech was also remarkable for admitting the power, and the expediency of incidental protection, as it was called; and on this ground he justified his support of the tariff of 1816 – so much objected against him. He also gave his history of the compromise of 1833, attributing it to the efficacy of nullification and of the military attitude of South Carolina: which brought upon him the relentless sarcasm of Mr. Clay; and occasioned his explanation of his support of a national bank in 1816. He was chairman of the committee which reported the charter for that bank, and gave it the support which carried it through; with which he was reproached after he became opposed to the bank. He explained the circumstances under which he gave that support – such as I had often heard him state in conversation; and which always appeared to me to be sufficient to exempt him from reproach. At the same time (and what is but little known), he had the merit of opposing, and probably of defeating, a far more dangerous bank – one of fifty millions (equivalent to one hundred and twenty millions now), and founded almost wholly upon United States stocks – imposingly recommended to Congress by the then secretary of the Treasury, Mr. Alexander J. Dallas. The analytical mind of Mr. Calhoun, then one of the youngest members, immediately solved this monster proposition into its constituent elements; and his power of generalization and condensation, enabled him to express its character in two words – *lending our credit to the bank for nothing, and borrowing it back at six per cent. interest.* As an alternative, and not as a choice, he supported the national bank that was chartered, after twice defeating the monster bank of fifty millions founded on paper; for that monster was twice presented to Congress, and twice repulsed. The last time it came as a currency measure – as a bank to create a national currency; and as such was referred to a select committee on national currency, of which Mr. Calhoun was chairman. He opposed it, and fell into the support of the bank which was chartered. Strange that in this search for a national bank, the currency of the constitution seemed to enter no one's head. The revival of the gold currency was never suggested; and in that oblivion of gold, and still hunting a substitute in paper, the men who put down the first national bank did their work much less effectually that those who put down the second one.

The speech of each of these senators, so far as they constitute the personal part of the debate, will be given in a chapter of its own: the rejoinders being brief, prompt, and responsive each to the other, will be put together in another chapter. The speeches of each, having been carefully prepared and elaborated, may be considered as fair specimens of their speaking powers – the style of each different, but each a first class speaker in the branch of oratory to which he belonged. They may be read with profit by those who would wish to form an idea of the style and power of these eminent orators. Manner, and all that is comprehended under the head of delivery, is a different attribute; and there Mr. Clay had an advantage, which is lost in transferring the speech to paper. Some of Mr. Calhoun's characteristics of manner may be seen in these speeches. He eschewed the studied exordiums and perorations, once so much in vogue, and which the rhetorician's rules teach how to make. A few simple words to announce the beginning, and the same to show the ending of his speech, was about as much as he did in that way; and in that departure from custom he conformed to what was becoming in a business speech, as his generally were; and also to what was suitable to his own intellectual style of speaking. He also eschewed the trite, familiar, and unparliamentary mode (which of late has got into vogue) of referring to a senator as, "my friend," or, "the distinguished," or, "the eloquent," or, "the honorable," &c. He followed the written rule of parliamentary law; which is also the clear rule of propriety, and referred to the member by his sitting-place in the Senate, and the State from which he came. Thus: "the senator from Kentucky who sits farthest from me;" which was a sufficient designation to those present, while for the absent, and for posterity the name (Mr. Clay) would be put in brackets. He also addressed the body by the simple collective phrase, "senators;" and

this was, not accident, or fancy, but system, resulting from convictions of propriety; and he would allow no reporter to alter it.

Mr. Calhoun laid great stress upon his speech in this debate, as being the vindication of his public life; and declared, in one of his replies to Mr. Clay, that he rested his public character upon it, and desired it to be read by those who would do him justice. In justice to him, and as being a vindication of several measures of his mentioned in this work, not approvingly, a place is here given to it.

This discussion between two eminent men, growing out of support and opposition to the leading measures of Mr. Van Buren's administration, indissolubly connects itself with the passage of those measures; and gives additional emphasis and distinction to the era of the crowning policy which separated bank and state – made the government the keeper of its own money – repulsed paper money from the federal treasury – filled the treasury to bursting with solid gold; and did more for the prosperity of the country than any set of measures from the foundation of the government.

CHAPTER XXVI.
DEBATE BETWEEN MR. CLAY AND MR. CALHOUN: MR. CLAY'S SPEECH: EXTRACTS

"Who, Mr. President, are the most conspicuous of those who perseveringly pressed this bill upon Congress and the American people? Its drawer is the distinguished gentleman in the white house not far off (Mr. Van Buren); its indorser is the distinguished senator from South Carolina, here present. What the drawer thinks of the indorser, his cautious reserve and stifled enmity prevent us from knowing. But the frankness of the indorser has not left us in the same ignorance with respect to his opinion of the drawer. He has often expressed it upon the floor of the Senate. On an occasion not very distant, denying him any of the noble qualities of the royal beast of the forest, he attributed to him those which belong to the most crafty, most skulking, and the meanest of the quadruped tribe. Mr. President, it is due to myself to say, that I do not altogether share with the senator from South Carolina in this opinion of the President of the United States. I have always found him, in his manners and deportment, civil, courteous, and gentlemanly; and he dispenses, in the noble mansion which he now occupies, one worthy the residence of the chief magistrate of a great people, a generous and liberal hospitality. An acquaintance with him of more than twenty years' duration has inspired me with a respect for the man, although, I regret to be compelled to say, I detest the magistrate.

"The eloquent senator from South Carolina has intimated that the course of my friends and myself, in opposing this bill, was unpatriotic, and that we ought to have followed in his lead; and, in a late letter of his, he has spoken of his alliance with us, and of his motives for quitting it. I cannot admit the justice of his reproach. We united, if, indeed, there were any alliance in the case, to restrain the enormous expansion of executive power; to arrest the progress of corruption; to rebuke usurpation; and to drive the Goths and Vandals from the capital; to expel Brennus and his horde from Rome, who, when he threw his sword into the scale, to augment the ransom demanded from the mistress of the world, showed his preference for gold; that he was a hard-money chieftain. It was by the much more valuable metal of iron that he was driven from her gates. And how often have we witnessed the senator from South Carolina, with woful countenance, and in doleful strains, pouring forth touching and mournful eloquence on the degeneracy of the times, and the downward tendency of the republic? Day after day, in the Senate, have we seen the displays of his lofty and impassioned eloquence. Although I shared largely with the senator in his apprehension for the purity of our institutions, and the permanency of our civil liberty, disposed always to look at the brighter side of human affairs, I was sometimes inclined to hope that the vivid imagination of the senator had depicted the dangers by which we were encompassed in somewhat stronger colors than they justified.

"The arduous contest in which we were so long engaged was about to terminate in a glorious victory. The very object for which the alliance was formed was about to be accomplished. At this critical moment the senator left us; he left us for the very purpose of preventing the success of the common cause. He took up his musket, knapsack, and shot-pouch, and joined the other party. He went, horse, foot, and dragoon; and he himself composed the whole corps. He went, as his present most distinguished ally commenced with his expunging resolution, *solitary and alone*. The earliest instance recorded in history, within my recollection, of an ally drawing off his forces from the combined army, was that of Achilles at the siege of Troy. He withdrew, with all his troops, and remained in the neighborhood, in sullen and dignified inactivity. But he did not join the Trojan forces; and when, during the progress of the siege, his faithful friend fell in battle, he raised his avenging arm, drove the Trojans back into the gates of Troy, and satiated his vengeance by slaying Priam's noblest and dearest son, the finest hero in the immortal Iliad. But Achilles had been wronged, or imagined himself wronged, in the person of the fair and beautiful Briseis. We did no wrong to the

distinguished senator from South Carolina. On the contrary, we respected him, confided in his great and acknowledged ability, his uncommon genius, his extensive experience, his supposed patriotism; above all, we confided in his stern and inflexible fidelity. Nevertheless, he left us, and joined our common opponents, distrusting and distrusted. He left us, as he tells us in the Edgefield letter, because the victory which our common arms were about to achieve, was not to enure to him and his party, but exclusively to the benefit of his allies and their cause. I thought that, actuated by patriotism (that noblest of human virtues), we had been contending together for our common country, for her violated rights, her threatened liberties, her prostrate constitution. Never did I suppose that personal or party considerations entered into our views. Whether, if victory shall ever again be about to perch upon the standard of the spoils party (the denomination which the senator from South Carolina has so often given to his present allies), he will not feel himself constrained, by the principles on which he has acted, to leave them, because it may not enure to the benefit of himself and his party, I leave to be adjusted between themselves.

"The speech of the senator from South Carolina was plausible, ingenious, abstract, metaphysical, and generalizing. It did not appear to me to be adapted to the bosoms and business of human life. It was aerial, and not very high up in the air, Mr. President, either – not quite as high as Mr. Clayton was in his last ascension in his balloon. The senator announced that there was a single alternative, and no escape from one or the other branch of it. He stated that we must take the bill under consideration, or the substitute proposed by the senator from Virginia. I do not concur in that statement of the case. There is another course embraced in neither branch of the senator's alternative; and that course is to do nothing, – always the wisest when you are not certain what you ought to do. Let us suppose that neither branch of the alternative is accepted, and that nothing is done. What, then, would be the consequence? There would be a restoration of the law of 1789, with all its cautious provisions and securities, provided by the wisdom of our ancestors, which has been so trampled upon by the late and present administrations. By that law, establishing the Treasury department, the treasure of the United States is to be received, kept, and disbursed by the treasurer, under a bond with ample security, under a large penalty fixed by law, and not left, as this bill leaves it, to the uncertain discretion of a Secretary of the Treasury. If, therefore, we were to do nothing, that law would be revived; the treasurer would have the custody, as he ought to have, of the public money, and doubtless he would make special deposits of it in all instances with safe and sound State banks; as in some cases the Secretary of the Treasury is now obliged to do. Thus, we should have in operation that very special deposit system, so much desired by some gentlemen, by which the public money would remain separate and unmixed with the money of banks.

"There is yet another course, unembraced by either branch of the alternative presented by the senator from South Carolina; and that is, to establish a bank of the United States, constituted according to the old and approved method of forming such an institution, tested and sanctioned by experience; a bank of the United States which should blend public and private interests, and be subject to public and private control; united together in such manner as to present safe and salutary checks against all abuses. The senator mistakes his own abandonment of that institution as ours. I know that the party in power has barricaded itself against the establishment of such a bank. It adopted, at the last extra session, the extraordinary and unprecedented resolution, that the people of the United States should not have such a bank, although it might be manifest that there was a clear majority of them demanding it. But the day may come, and I trust is not distant, when the will of the people must prevail in the councils of her own government; and when it does arrive, a bank will be established.

"The senator from South Carolina reminds us that we denounced the pet bank system; and so we did, and so we do. But does it therefore follow that, bad as that system was, we must be driven into the acceptance of a system infinitely worse? He tells us that the bill under consideration takes the public funds out of the hands of the Executive, and places them in the hands of the law. It does no such thing. They are now without law, it is true, in the custody of the Executive; and the bill

proposes by law to confirm them in that custody, and to convey new and enormous powers of control to the Executive over them. Every custodary of the public funds provided by the bill is a creature of the Executive, dependent upon his breath, and subject to the same breath for removal, whenever the Executive – from caprice, from tyranny, or from party motives – shall choose to order it. What safety is there for the public money, if there were a hundred subordinate executive officers charged with its care, whilst the doctrine of the absolute unity of the whole executive power, promulgated by the last administration, and persisted in by this, remains unrevoked and unrebuked?

"Whilst the senator from South Carolina professes to be the friend of State banks, he has attacked the whole banking system of the United States. He is their friend; he only thinks they are all unconstitutional! Why? Because the coining power is possessed by the general government; and that coining power, he argues, was intended to supply a currency of the precious metals; but the State banks absorb the precious metals, and withdraw them from circulation, and, therefore, are in conflict with the coining power. That power, according to my view of it, is nothing but a naked authority to stamp certain pieces of the precious metals, in fixed proportions of alloy and pure metal prescribed by law; so that their exact value be known. When that office is performed, the power is *functus officio*; the money passes out of the mint, and becomes the lawful property of those who legally acquire it. They may do with it as they please, – throw it into the ocean, bury it in the earth, or melt it in a crucible, without violating any law. When it has once left the vaults of the mint, the law maker has nothing to do with it, but to protect it against those who attempt to debase or counterfeit, and, subsequently, to pass it as lawful money. In the sense in which the senator supposes banks to conflict with the coining power, foreign commerce, and especially our commerce with China, conflicts with it much more extensively.

"The distinguished senator is no enemy to the banks; he merely thinks them injurious to the morals and industry of the country. He likes them very well, but he nevertheless believes that they levy a tax of twenty-five millions annually on the industry of the country! The senator from South Carolina would do the banks no harm; but they are deemed by him highly injurious to the planting interest! According to him, they inflate prices, and the poor planter sells his productions for hard money, and has to purchase his supplies at the swollen prices produced by a paper medium. The senator tells us that it has been only within a few days that he has discovered that it is illegal to receive bank notes in payment of public dues. Does he think that the usage of the government under all its administrations, and with every party in power, which has prevailed for nigh fifty years, ought to be set aside by a novel theory of his, just dreamed into existence, even if it possess the merit of ingenuity? The bill under consideration, which has been eulogized by the senator as perfect in its structure and details, contains a provision that bank notes shall be received in diminished proportions, during a term of six years. He himself introduced the identical principle. It is the only part of the bill that is emphatically his. How, then, can he contend that it is unconstitutional to receive bank notes in payment of public dues? I appeal from himself to himself."

"The doctrine of the senator in 1816 was, as he now states it, that bank notes being in fact received by the executive, although contrary to law, it was constitutional to create a Bank of the United States. And in 1834, finding that bank which was constitutional in its inception, but had become unconstitutional in its progress, yet in existence, it was quite constitutional to propose, as the senator did, to continue it twelve years longer."

"The senator and I began our public career nearly together; we remained together throughout the war. We agreed as to a Bank of the United States – as to a protective tariff – as to internal improvements; and lately as to those arbitrary and violent measures which characterized the administration of General Jackson. No two men ever agreed better together in respect to important measures of public policy. We concur in nothing now."

CHAPTER XXVII.
DEBATE BETWEEN MR. CLAY AND MR. CALHOUN: MR. CALHOUN'S SPEECH; EXTRACTS

"I rise to fulfil a promise I made some time since, to notice at my leisure the reply of the senator from Kentucky farthest from me [Mr Clay], to my remarks, when I first addressed the Senate on the subject now under discussion.

"On comparing with care the reply with the remarks, I am at a loss to determine whether it is the most remarkable for its omissions or misstatements. Instead of leaving not a hair in the head of my arguments, as the senator threatened (to use his not very dignified expression), he has not even attempted to answer a large, and not the least weighty, portion; and of that which he has, there is not one fairly stated, or fairly answered. I speak literally, and without exaggeration; nor would it be difficult to establish to the letter what I assert, if I could reconcile it to myself to consume the time of the Senate in establishing a long series of negative propositions, in which they could take but little interest, however important they may be regarded by the senator and myself. To avoid so idle a consumption of the time, I propose to present a few instances of his misstatements, from which the rest may be inferred; and, that I may not be suspected of having selected them, I shall take them in the order in which they stand in his reply.

[The argumentative part omitted.]

"But the senator did not restrict himself to a reply to my arguments. He introduced personal remarks, which neither self-respect, nor a regard to the cause I support, will permit me to pass without notice, as adverse as I am to all personal controversies. Not only my education and disposition, but, above all, my conception of the duties belonging to the station I occupy, indisposes me to such controversies. We are sent here, not to wrangle, or indulge in personal abuse, but to deliberate and decide on the common interests of the States of this Union, as far as they have been subjected by the constitution to our jurisdiction. Thus thinking and feeling, and having perfect confidence in the cause I support, I addressed myself, when I was last up, directly and exclusively to the understanding, carefully avoiding every remark which had the least personal or party bearing. In proof of this, I appeal to you, senators, my witnesses and judges on this occasion. But it seems that no caution on my part could prevent what I was so anxious to avoid. The senator, having no pretext to give a personal direction to the discussion, made a premeditated and gratuitous attack on me. I say having no pretext; for there is not a shadow of foundation for the assertion that I called on him and his party to follow my lead, at which he seemed to take offence, as I have already shown. I made no such call, or any thing that could be construed into it. It would have been impertinent, in the relation between myself and his party, at any stage of this question; and absurd at that late period, when every senator had made up his mind. As there was, then, neither provocation nor pretext, what could be the motive of the senator in making the attack? It could not be to indulge in the pleasure of personal abuse – the lowest and basest of all our passions; and which is so far beneath the dignity of the senator's character and station. Nor could it be with the view to intimidation. The senator knows me too long, and too well, to make such an attempt. I am sent here by constituents as respectable as those he represents, in order to watch over their peculiar interests, and take care of the general concern; and if I were capable of being deterred by any one, or any consequence, in discharging my duty, from denouncing what I regarded as dangerous or corrupt, or giving a decided and zealous support to what I thought right and expedient, I would, in shame and confusion, return my commission to the patriotic and gallant State I represent, to be placed in more resolute and trustworthy hands.

"If, then, neither the one nor the other of these be the motive, what, I repeat, can it be? In casting my eyes over the whole surface I can see but one, which is, that the senator, despairing of the

sufficiency of his reply to overthrow my arguments, had resorted to personalities, in the hope, with their aid, to effect what he could not accomplish by main strength. He well knows that the force of an argument on moral or political subjects depends greatly on the character of him who advanced it; and that to cast suspicion on his sincerity or motive, or to shake confidence in his understanding, is often the most effectual mode to destroy its force. Thus viewed, his personalities may be fairly regarded as constituting a part of his reply to my argument; and we, accordingly, find the senator throwing them in front, like a skilful general, in order to weaken my arguments before he brought on his main attack. In repelling, then, his personal attacks, I also defend the cause which I advocate. It is against that his blows are aimed and he strikes at it through me, because he believes his blows will be the more effectual.

"Having given this direction to his reply, he has imposed on me a double duty to repel his attacks: duty to myself, and to the cause I support. I shall not decline its performance; and when it is discharged, I trust I shall have placed my character as far beyond the darts which he has hurled at it, as my arguments have proved to be above his abilities to reply to them. In doing this, I shall be compelled to speak of myself. No one can be more sensible than I am how odious it is to speak of one's self. I shall endeavor to confine myself within the limits of the strictest propriety; but if any thing should escape me that may wound the most delicate ear, the odium ought in justice to fall not on me, but the senator, who, by his unprovoked and wanton attack, has imposed on me the painful necessity of speaking of myself.

"The leading charge of the senator – that on which all the others depend, and which, being overthrown, they fall to the ground – is that I have gone over; have left his side, and joined the other. By this vague and indefinite expression, I presume he meant to imply that I had either changed my opinion, or abandoned my principle, or deserted my party. If he did not mean one, or all; if I have changed neither opinions, principles, nor party, then the charge meant nothing deserving notice. But if he intended to imply, what I have presumed he did, I take issue on the fact – I meet and repel the charge. It happened, fortunately for me, fortunately for the cause of truth and justice, that it was not the first time that I had offered my sentiments on the question now under consideration. There is scarcely a single point in the present issue on which I did not explicitly express my opinion, four years ago, in my place here, when the removal of the deposits and the questions connected with it were under discussion – so explicitly as to repel effectually the charge of any change on my part; and to make it impossible for me to pursue any other course than I have without involving myself in gross inconsistency. I intend not to leave so important a point to rest on my bare assertion. What I assert stands on record, which I now hold in my possession, and intend, at the proper time, to introduce and read. But, before I do that, it will be proper I should state the questions now at issue, and my course in relation to them; so that, having a clear and distinct perception of them, you may, senators, readily and satisfactorily compare and determine whether my course on the present occasion coincides with the opinions I then expressed.

"There are three questions, as is agreed by all, involved in the present issue: Shall we separate the government from the banks, or shall we revive the league of State banks, or create a national bank? My opinion and course in reference to each are well known. I prefer the separation to either of the others; and, as between the other two, I regard a national bank as a more efficient, and a less corrupting fiscal agent than a league of State banks. It is also well known that I have expressed myself on the present occasion hostile to the banking system, as it exists; and against the constitutional power of making a bank, unless on the assumption that we have the right to receive and treat bank-notes as cash in our fiscal operations, which I, for the first time, have denied on the present occasion. Now, I entertained and expressed all these opinions, on a different occasion, four years ago, except the right of receiving bank-notes, in regard to which I then reserved my opinion; and if all this should be fully and clearly established by the record, from speeches delivered and published at the time, the charge of the senator must, in the opinion of all, however prejudiced, sink to the ground. I am now

prepared to introduce, and have the record read. I delivered two speeches in the session of 1833-'34, one on the removal of the deposits, and the other on the question of the renewal of the charter of the late bank. I ask the secretary to turn to the volume lying before him, and read the three paragraphs marked in my speech on the deposits. I will thank him to raise his voice, and read slowly, so that he may be distinctly heard; and I must ask you, senators, to give your attentive hearing; for on the coincidence between my opinions then and my course now, my vindication against this unprovoked and groundless charge rests.

"[The secretary of the Senate read as requested.]

"Such were my sentiments, delivered four years since, on the question of the removal of the deposits, and now standing on record; and I now call your attention senators, while they are fresh in your minds, and before other extracts are read, to the opinions I then entertained and expressed, in order that you may compare them with those that I have expressed, and the course I have pursued on the present occasion. In the first place, I then expressed myself explicitly and decidedly against the banking system, and intimated, in language too strong to be mistaken, that, if the question was then bank or no bank, as it now is, as far as government is concerned, I would not be found on the side of the bank. Now, I ask, I appeal to the candor of all, even the most prejudiced, is there any thing in all this contradictory to my present opinions or course? On the contrary, having entertained and expressed these opinions, could I, at this time, when the issue I then supposed is actually presented, have gone against the separation without gross inconsistency? Again, I then declared myself to be utterly opposed to a combination or league of State banks, as being the most efficient and corrupting fiscal agent the government could select, and more objectionable than a bank of the United States. I again appeal, is there a sentiment or a word in all this contradictory to what I have said, or done, on the present occasion? So far otherwise, is there not a perfect harmony and coincidence throughout, which, considering the distance of time and the difference of the occasion, is truly remarkable; and this extending to all the great and governing questions now at issue?

"To prove all this I again refer to the record. If it shall appear from it that my object was to disconnect the government gradually and cautiously from the banking system, and with that view, and that only, I proposed to use the Bank of the United States for a short time, and that I explicitly expressed the same opinions then as I now have on almost every point connected with the system; I shall not only have vindicated my character from the charge of the senator from Kentucky, but shall do more, much more to show that I did all an individual, standing alone, as I did, could do to avert the present calamities: and, of course, I am free from all responsibility for what has since happened. I have shortened the extracts, as far as was possible to do justice to myself, and have left out much that ought, of right, to be read in my defence, rather than to weary the Senate. I know how difficult it is to command attention to reading of documents; but I trust that this, where justice to a member of the body, whose character has been assailed, without the least provocation, will form an exception. The extracts are numbered, and I will thank the secretary to pause at the end of each, unless otherwise desired.

"[The secretary read as requested.]

"But the removal of the deposits was not the only question discussed at that remarkable and important session. The charter of the United States Bank was then about to expire. The senator from Massachusetts nearest to me [Mr. Webster], then at the head of the committee on finance, suggested, in his place, that he intended to introduce a bill to renew the charter. I clearly perceived that the movement, if made, would fail; and that there was no prospect of doing any thing to arrest the danger approaching, unless the subject was taken up on the broad question of the currency; and that if any connection of the government with the banks could be justified at all, it must be in that relation. I am not among those who believe that the currency was in a sound condition when the deposits were removed in 1834. I then believed, and experience has proved I was correct, that it was deeply and dangerously diseased; and that the most efficient measures were necessary to prevent the catastrophe

which has since fallen on the circulation of the country. There was then not more than one dollar in specie, on an average, in the banks, including the United States Bank and all, for six of bank notes in circulation; and not more than one in eleven compared to liabilities of the banks; and this while the United States Bank was in full and active operation; which proves conclusively that its charter ought not to be renewed, if renewed at all, without great modifications. I saw also that the expansion of the circulation, great as it then was, must still farther increase; that the disease lay deep in the system; that the terms on which the charter of the Bank of England was renewed would give a western direction to specie, which, instead of correcting the disorder, by substituting specie for bank notes in our circulation, would become the basis of new banking operations that would greatly increase the swelling tide. Such were my conceptions then, and I honestly and earnestly endeavored to carry them into effect, in order to prevent the approaching catastrophe.

"The political and personal relations between myself and the senator from Massachusetts [Mr. Webster], were then not the kindest. We stood in opposition at the preceding session on the great question growing out of the conflict between the State I represented and the general government, which could not pass away without leaving unfriendly feelings on both sides; but where duty is involved, I am not in the habit of permitting my personal relations to interfere. In my solicitude to avoid coming dangers, I sought an interview, through a common friend, in order to compare opinions as to the proper course to be pursued. We met, and conversed freely and fully, but parted without agreeing. I expressed to him my deep regret at our disagreement, and informed him that, although I could not agree with him, I would throw no embarrassment in his way; but should feel it to be my duty, when he made his motion to introduce a bill to renew the charter of the bank, to express my opinion at large on the state of the currency and the proper course to be pursued; which I accordingly did. On that memorable occasion I stood almost alone. One party supported the league of State banks, and the other the United States Bank, the charter of which the senator from Massachusetts [Mr. Webster.] proposed to renew for six years. Nothing was left me but to place myself distinctly before the country on the ground I occupied, which I did fully and explicitly in the speech I delivered on the occasion. In justice to myself, I ought to have every word of it read on the present occasion. It would of itself be a full vindication of my course. I stated and enlarged on all the points to which I have already referred; objected to the recharter as proposed by the mover; and foretold that what has since happened would follow, unless something effectual was done to prevent it. As a remedy, I proposed to use the Bank of the United States as a temporary expedient, fortified with strong guards, in order to resist and turn back the swelling tide of circulation.

"After having so expressed myself, which clearly shows that my object was to use the bank for a time in such a manner as to break the connection with the system, without a shock to the country or currency, I then proceed and examine the question, whether this could be best accomplished by the renewal of the charter of the United States Bank, or through a league of State banks. After concluding what I had to say on the subject, in my deep solicitude I addressed the three parties in the Senate separately, urging such motives as I thought best calculated to act on them; and pressing them to join me in the measure suggested, in order to avert approaching danger. I began with my friends of the State rights party, and with the administration. I have taken copious extracts from the address to the first, which will clearly prove how exactly my opinions then and now coincide on all questions connected with the banks. I now ask the secretary to read the extract numbered two.

"[The secretary read accordingly.]

"I regret to trespass on the patience of the Senate, but I wish, in justice to myself, to ask their attention to one more, which, though not immediately relating to the question under consideration, is not irrelevant to my vindication. I not only expressed my opinions freely in relation to the currency and the bank, in the speech from which such copious extracts have been read, but had the precaution to define my political position distinctly in reference to the political parties of the day, and the course I would pursue in relation to each. I then, as now, belonged to the party to which it is my glory ever to

have been attached exclusively; and avowed, explicitly, that I belonged to neither of the two parties, opposition or administration, then contending for superiority; which of itself ought to go far to repel the charge of the senator from Kentucky, that I have gone over from one party to the other. The secretary will read the last extract.

"[The secretary read.]

"Such, senators, are my recorded sentiments in 1834. They are full and explicit on all the questions involved in the present issue, and prove, beyond the possibility of doubt, that I have changed no opinion, abandoned no principle, nor deserted any party. I stand now on the ground I stood then, and, of course, if my relations to the two opposing parties are changed – if I now act with those I then opposed, and oppose those with whom I then acted, the change is not in me. I, at least, have stood still. In saying this, I accuse none of changing. I leave others to explain their position, now and then, if they deem explanation necessary. But, if I may be permitted to state my opinion, I would say that the change is rather in the questions and the circumstances, than in the opinions or principles of either of the parties. The opposition were then, and are now, national bank men, and the administration, in like manner, were anti-national bank, and in favor of a league of State banks; while I preferred then, as now, the former to the latter, and a divorce from banks to either. When the experiment of the league failed, the administration were reduced to the option between a national bank and a divorce. They chose the latter, and such, I have no reason to doubt, would have been their choice, had the option been the same four years ago. Nor have I any doubt, had the option been then between a league of banks and divorce, the opposition then, as now, would have been in favor of the league. In all this there is more apparent than real change. As to myself, there has been neither. If I acted with the opposition and opposed the administration then, it was because I was openly opposed to the removal of the deposits and the league of banks, as I now am; and if I now act with the latter and oppose the former, it is because I am now, as then, in favor of a divorce, and opposed to either a league of State banks or a national bank, except, indeed, as the means of effecting a divorce gradually and safely. What, then, is my offence? What but refusing to abandon my first choice, the divorce from the banks, because the administration has selected it, and of going with the opposition for a national bank, to which I have been and am still opposed? That is all; and for this I am charged with going over – leaving one party and joining the other.

"Yet, in the face of all this, the senator has not only made the charge, but has said, in his place, that he heard, for the first time in his life, at the extra session, that I was opposed to a national bank! I could place the senator in a dilemma from which there is no possibility of escape. I might say to him, you have either forgot, or not, what I said in 1834. If you have not, how can you justify yourself in making the charge you have? But if you have – if you have forgot what is so recent, and what, from the magnitude of the question and the importance of the occasion, was so well calculated to impress itself on your memory, what possible value can be attached to your recollection or opinions, as to my course on more remote and less memorable occasions, on which you have undertaken to impeach my conduct? He may take his choice.

"Having now established by the record that I have changed no opinion, abandoned no principle, nor deserted any party, the charge of the senator, with all the aspersions with which he accompanied it, falls prostrate to the earth. Here I might leave the subject, and close my vindication. But I choose not. I shall follow the senator up, step by step, in his unprovoked, and I may now add, groundless attack, with blows not less decisive and victorious.

"The senator next proceeded to state, that in a certain document (if he named it, I did not hear him) I assigned as the reason why I could not join in the attack on the administration, that the benefit of the victory would not enure to myself, or my party; or, as he explained himself, because it would not place myself and them in power. I presume he referred to a letter, in answer to an invitation to a public dinner, offered me by my old and faithful friends and constituents of Edgefield, in approbation of my course at the extra session.

"[Mr. Clay. I do.]

"The pressure of domestic engagements would not permit me to accept their invitation; and, in declining it, I deemed it due to them and myself to explain my course, in its political and party bearing, more fully than I had done in debate. They had a right to know my reasons, and I expressed myself with the frankness due to the long and uninterrupted confidence that had ever existed between us.

"Having made these explanatory remarks, I now proceed to meet the assertion of the senator. I again take issue on the fact. I assigned no such reason as the senator attributes to me. I never dreamed nor thought of such a one; nor can any force of construction extort such from what I said. No; my object was not power or place, either for myself or party. I was far more humble and honest. It was to save ourselves and our principles from being absorbed and lost in a party, more numerous and powerful; but differing from us on almost every principle and question of policy.

"When the suspension of specie payments took place in May last (not unexpected to me), I immediately turned my attention to the event earnestly, considering it as an event pregnant with great and lasting consequences. Reviewing the whole ground, I saw nothing to change in the opinions and principles I had avowed in 1834; and I determined to carry them out, as far as circumstances and my ability would enable me. But I saw that my course must be influenced by the position which the two great contending parties might take in reference to the question. I did not doubt that the opposition would rally either on a national bank, or a combination of State banks, with Mr. Biddle's at the head; but I was wholly uncertain what course the administration would adopt, and remained so until the message of the President was received and read by the secretary at his table. When I saw he went for a divorce, I never hesitated a moment. Not only my opinions and principles long entertained, and, as I have shown, fully expressed years ago, but the highest political motives, left me no alternative. I perceived at once that the object, to accomplish which we had acted in concert with the opposition, had ceased: Executive usurpations had come to an end for the present: and that the struggle with the administration was no longer for power, but to save themselves. I also clearly saw, that if we should unite with the opposition in their attack on the administration, the victory over them, in the position they occupied, would be a victory over us and our principles. It required no sagacity to see that such would be the result. It was as plain as day. The administration had taken position, as I have shown, on the very ground I occupied in 1834; and which the whole State rights party had taken at the same time in the other House, as its journals will prove. The opposition, under the banner of the bank, were moving against them for the very reason that they had taken the ground they did.

"Now, I ask, what would have been the result if we had joined in the attack? No one can now doubt that the victory over those in power would have been certain and decisive, nor would the consequences have been the least doubtful. The first fruit would have been a national bank. The principles of the opposition, and the very object of the attack, would have necessarily led to that. We would have been not only too feeble to resist, but would have been committed by joining in the attack with its avowed object to go for one, while those who support the administration would have been scattered in the winds. We should then have had a bank – that is clear; nor is it less certain, that in its train there would have followed all the consequences which have and ever will follow, when tried – high duties, overflowing revenue, extravagant expenditures, large surpluses; in a word, all those disastrous consequences which have well near overthrown our institutions, and involved the country in its present difficulties. The influence of the institution, the known principles and policy of the opposition, and the utter prostration of the administration party, and the absorption of ours, would have led to these results as certainly as we exist.

"I now appeal, senators, to your candor and justice, and ask, could I, having all these consequences before me, with my known opinions and that of the party to which I belong, and to which only I owe fidelity, have acted differently from what I did? Would not any other course have justly exposed me to the charge of having abandoned my principles and party, with which I am now accused so unjustly? Nay, would it not have been worse than folly – been madness in me, to have taken

any other? And yet, the grounds which I have assumed in this exposition are the very *reasons* assigned in my letter, and which the senator has perverted most unfairly and unjustly into the pitiful, personal, and selfish reason, which he has attributed to me. Confirmative of what I say, I again appeal to the record. The secretary will read the paragraph marked in my Edgefield letter, to which, I presume, the senator alluded.

"[The secretary of the Senate reads:]

"As soon as I saw this state of things, I clearly perceived that a very important question was presented for our determination, which we were compelled to decide forthwith – shall we continue our joint attack with the Nationals on those in power, in the new position which they have been compelled to occupy? It was clear, with our joint forces, we could utterly overthrow and demolish them; but it was not less clear that the victory would enure, not to us, but exclusively to the benefit of our allies and their cause. They were the most numerous and powerful, and the point of assault on the position which the party to be assaulted had taken in relation to the banks, would have greatly strengthened the settled principles and policy of the National party, and weakened, in the same degree, ours. They are, and ever have been, the decided advocates of a national bank; and are now in favor of one with a capital so ample as to be sufficient to control the State institutions, and to regulate the currency and exchanges of the country. To join them with their avowed object in the attack to overthrow those in power, on the ground they occupied against a bank, would, of course, not only have placed the government and country in their hands without opposition, but would have committed us, beyond the possibility of extrication, for a bank; and absorbed our party in the ranks of the National Republicans. The first fruits of the victory would have been an overshadowing National Bank, with an immense capital, not less than from fifty to a hundred millions; which would have centralized the currency and exchanges, and with them the commerce and capital of the country, in whatever section the head of the institution might be placed. The next would be the indissoluble union of the political opponents, whose principles and policy are so opposite to ours, and so dangerous to our institutions, as well as oppressive to us.

"I now ask, is there any thing in this extract which will warrant the construction that the senator has attempted to force on it? Is it not manifest that the expression on which he fixes, that the victory would enure, not to us, but exclusively to the benefit of the opposition, alludes not to power or place, but to principle and policy? Can words be more plain? What then becomes of all the aspersions of the senator, his reflections about selfishness and the want of patriotism, and his allusions and illustrations to give them force and effect? They fall to the ground without deserving a notice, with his groundless accusation.

"But, in so premeditated and indiscriminate an attack, it could not be expected that my motives would entirely escape; and we accordingly find the senator very charitably leaving it to time to disclose my motive for going over. Leave it to time to disclose my motive for going over! I who have changed no opinion, abandoned no principle, and deserted no party: I, who have stood still, and maintained my ground against every difficulty, to be told that it is left to time to disclose my motive! The imputation sinks to the earth with the groundless charge on which it rests. I stamp it with scorn in the dust. I pick up the dart, which fell harmless at my feet. I hurl it back. What the senator charges on me unjustly, *he has actually done*. He went over on a memorable occasion, and did not leave it to time to disclose his motive.

"The senator next tells us that I bore a character for stern fidelity; which he accompanied with remarks implying that I had forfeited it by my course on the present occasion. If he means by stern fidelity a devoted attachment to duty and principle, which nothing can overcome, the character is, indeed, a high one; and I trust, not entirely unmerited. I have, at least, the authority of the senator himself for saying that it belonged to me before the present occasion, and it is, of course, incumbent on him to show that I have since forfeited it. He will find the task a Herculean one. It would be by far more easy to show the opposite; that, instead of forfeiting, I have strengthened my title to the

character; instead of abandoning any principles, I have firmly adhered to them; and that too, under the most appalling difficulties. If I were to select an instance in the whole course of my life on which, above all others, to rest my claim to the character which the senator attributed to me, it would be this very one, which he has selected to prove that I have forfeited it.

"I acted with the full knowledge of the difficulties I had to encounter, and the responsibility I must incur. I saw a great and powerful party, probably the most powerful in the country, eagerly seizing on the catastrophe which had befallen the currency, and the consequent embarrassments that followed, to displace those in power, against whom they had been long contending. I saw that, to stand between them and their object, I must necessarily incur their deep and lasting displeasure. I also saw that, to maintain the administration in the position they had taken – to separate the government from the banks, I would draw down on me, with the exception of some of the southern banks, the whole weight of that extensive, concentrated, and powerful interest – the most powerful by far of any in the whole community; and thus I would unite against me a combination of political and moneyed influence almost irresistible. Nor was this all. I could not but see that, however pure and disinterested my motives, and however consistent my course with all I had ever said or done, I would be exposed to the very charges and aspersions which I am now repelling. The ease with which they could be made, and the temptation to make them, I saw were too great to be resisted by the party morality of the day – as groundless as I have demonstrated them. But there was another consequence that I could not but foresee, far more painful to me than all others. I but too clearly saw that, in so sudden and complex a juncture, called on as I was to decide on my course instantly, as it were, on the field of battle, without consultation, or explaining my reasons, I would estrange for a time many of my political friends, who had passed through with me so many trials and difficulties, and for whom I feel a brother's love. But I saw before me the path of duty, and, though rugged, and hedged on all sides with these and many other difficulties, I did not hesitate a moment to take it. After I had made up my mind as to my course, in a conversation with a friend about the responsibility I would assume, he remarked that my own State might desert me. I replied that it was not impossible; but the result has proved that I under-estimated the intelligence and patriotism of my virtuous and noble State. I ask her pardon for the distrust implied in my answer; but I ask with assurance it will be granted, on the grounds I shall put it – that, in being prepared to sacrifice her confidence, as dear to me as light and life, rather than disobey on this great question, the dictates of my judgment and conscience, I proved myself worthy of being her representative.

"But if the senator, in attributing to me stern fidelity, meant, not devotion to principle, but to party, and especially the party of which he is so prominent a member, my answer is, that I never belonged to his party, nor owed it any fidelity; and, of course, could forfeit, in reference to it, no character for fidelity. It is true, we acted in concert against what we believed to be the usurpations of the Executive; and it is true that, during the time, I saw much to esteem in those with whom I acted, and contracted friendly relations with many; which I shall not be the first to forget. It is also true that a common party designation was applied to the opposition in the aggregate – not, however, with my approbation; but it is no less true that it was universally known that it consisted of two distinct parties, dissimilar in principle and policy, except in relation to the object for which they had united: the national republican party, and the portion of the State rights party which had separated from the administration, on the ground that it had departed from the true principles of the original party. That I belonged exclusively to that detached portion, and to neither the opposition nor administration party, I prove by my explicit declaration, contained in one of the extracts read from my speech on the currency in 1834. That the party generally, and the State which I represent in part, stood aloof from both of the parties, may be established from the fact that they refused to mingle in the party and political contests of the day. My State withheld her electoral vote in two successive presidential elections; and, rather than to bestow it on either the senator from Kentucky, or the distinguished citizen whom he opposed, in the first of those elections, she threw her vote on a patriotic citizen of Virginia, since

deceased, of her own politics; but who was not a candidate; and, in the last, she refused to give it to the worthy senator from Tennessee near me (Judge White), though his principles and views of policy approach so much nearer to hers than that of the party to which the senator from Kentucky belongs.

"And here, Mr. President, I avail myself of the opportunity to declare my present political position, so that there may be no mistake hereafter. I belong to the old Republican State Rights party of '98. To that, and that alone, I owe fidelity, and by that I shall stand through every change, and in spite of every difficulty. Its creed is to be found in the Kentucky resolutions, and Virginia resolutions and report; and its policy is to confine the action of this government within the narrowest limits compatible with the peace and security of these States, and the objects for which the Union was expressly formed. I, as one of that party, shall support all who support its principles and policy, and oppose all who oppose them. I have given, and shall continue to give, the administration a hearty and sincere support on the great question now under discussion, because I regard it as in strict conformity to our creed and policy; and shall do every thing in my power to sustain them under the great responsibility which they have assumed. But let me tell those who are more interested in sustaining them than myself, that the danger which threatens them lies not here, but in another quarter. This measure will tend to uphold them, if they stand fast, and adhere to it with fidelity. But, if they wish to know where the danger is, let them look to the fiscal department of the government. I said, years ago, that we were committing an error the reverse of the great and dangerous one that was committed in 1828, and to which we owe our present difficulties, and all we have since experienced. Then we raised the revenue greatly, when the expenditures were about to be reduced by the discharge of the public debt; and now we have doubled the disbursements, when the revenue is rapidly decreasing; an error, which, although probably not so fatal to the country, will prove, if immediate and vigorous measures be not adopted, far more so to those in power.

"But the senator did not confine his attack to my conduct and motives in reference to the present question. In his eagerness to weaken the cause I support, by destroying confidence in me, he made an indiscriminate attack on my intellectual faculties, which he characterized as metaphysical, eccentric, too much of genius, and too little common sense; and of course wanting a sound and practical judgment.

"Mr. President, according to my opinion, there is nothing of which those who are endowed with superior mental faculties ought to be more cautious, than to reproach those with their deficiency to whom Providence has been less liberal. The faculties of our mind are the immediate gift of our Creator, for which we are no farther responsible than for their proper cultivation, according to our opportunities, and their proper application to control and regulate our actions. Thus thinking, I trust I shall be the last to assume superiority on my part, or reproach any one with inferiority on his; but those who do not regard the rule, when applied to others, cannot expect it to be observed when applied to themselves. The critic must expect to be criticised; and he who points out the faults of others, to have his own pointed out.

"I cannot retort on the senator the charge of being metaphysical. I cannot accuse him of possessing the powers of analysis and generalization, those higher faculties of the mind (called metaphysical by those who do not possess them), which decompose and resolve into their elements the complex masses of ideas that exist in the world of mind – as chemistry does the bodies that surround us in the material world; and without which those deep and hidden causes which are in constant action, and producing such mighty changes in the condition of society, would operate unseen and undetected. The absence of these higher qualities of the mind is conspicuous throughout the whole course of the senator's public life. To this it may be traced that he prefers the specious to the solid, and the plausible to the true. To the same cause, combined with an ardent temperament, it is owing that we ever find him mounted on some popular and favorite measure, which he whips along, cheered by the shouts of the multitude, and never dismounts till he has rode it down. Thus, at one time, we find him mounted on the protective system, which he rode down; at another, on

internal improvement; and now he is mounted on a bank, which will surely share the same fate, unless those who are immediately interested shall stop him in his headlong career. It is the fault of his mind to seize on a few prominent and striking advantages, and to pursue them eagerly without looking to consequences. Thus, in the case of the protective system, he was struck with the advantages of manufactures; and, believing that high duties was the proper mode of protecting them, he pushed forward the system, without seeing that he was enriching one portion of the country at the expense of the other; corrupting the one and alienating the other; and, finally, dividing the community into two great hostile interests, which terminated in the overthrow of the system itself. So, now, he looks only to a uniform currency, and a bank as the means of securing it, without once reflecting how far the banking system has progressed, and the difficulties that impede its farther progress; that banking and politics are running together to their mutual destruction; and that the only possible mode of saving his favorite system is to separate it from the government.

"To the defects of understanding, which the senator attributes to me, I make no reply. It is for others, and not me, to determine the portion of understanding which it has pleased the Author of my being to bestow on me. It is, however, fortunate for me, that the standard by which I shall be judged is not the false, prejudiced, and, as I have shown, unfounded opinion which the senator has expressed; but my acts. They furnish materials, neither few nor scant, to form a just estimate of my mental faculties. I have now been more than twenty-six years continuously in the service of this government, in various stations, and have taken part in almost all the great questions which have agitated this country during this long and important period. Throughout the whole I have never followed events, but have taken my stand in advance, openly and freely avowing my opinions on all questions, and leaving it to time and experience to condemn or approve my course. Thus acting, I have often, and on great questions, separated from those with whom I usually acted, and if I am really so defective in sound and practical judgment as the senator represents, the proof, if to be found any where, must be found in such instances, or where I have acted on my sole responsibility. Now, I ask, in which of the many instances of the kind is such proof to be found? It is not my intention to call to the recollection of the Senate all such; but that you, senators, may judge for yourselves, it is due in justice to myself, that I should suggest a few of the most prominent, which at the time were regarded as the senator now considers the present; and then, as now, because where duty is involved, I would not submit to party trammels.

"I go back to the commencement of my public life, the war session, as it was usually called, of 1812, when I first took my seat in the other House, a young man, without experience to guide me, and I shall select, as the first instance, the Navy. At that time the administration and the party to which I was strongly attached were decidedly opposed to this important arm of service. It was considered anti-republican to support it; but acting with my then distinguished colleague, Mr. Cheves, who led the way, I did not hesitate to give it my hearty support, regardless of party ties. Does this instance sustain the charge of the senator?

"The next I shall select is the restrictive system of that day, the embargo, the non-importation and non-intercourse acts. This, too, was a party measure which had been long and warmly contested, and of course the lines of party well drawn. Young and inexperienced as I was, I saw its defects, and resolutely opposed it, almost alone of my party. The second or third speech I made, after I took my seat, was in open denunciation of the system; and I may refer to the grounds I then assumed, the truth of which have been confirmed by time and experience, with pride and confidence. This will scarcely be selected by the senator to make good his charge.

"I pass over other instances, and come to Mr. Dallas's bank of 1814-15. That, too, was a party measure. Banking was then comparatively but little understood, and it may seem astonishing, at this time, that such a project should ever have received any countenance or support. It proposed to create a bank of $50,000,000, to consist almost entirely of what was called then the war stocks; that is, the public debt created in carrying on the then war. It was provided that the bank should not pay specie

during the war, and for three years after its termination, for carrying on which it was to lend the government the funds. In plain language, the government was to borrow back its own credit from the bank, and pay to the institution six per cent. for its use. I had scarcely ever before seriously thought of banks or banking, but I clearly saw through the operation, and the danger to the government and country; and, regardless of party ties or denunciations, I opposed and defeated it in the manner I explained at the extra session. I then subjected myself to the very charge which the senator now makes; but time has done me justice, as it will in the present instance.

"Passing the intervening instances, I come down to my administration of the War Department, where I acted on my own judgment and responsibility. It is known to all, that the department, at that time, was perfectly disorganized, with not much less than $50,000,000 of outstanding and unsettled accounts; and the greatest confusion in every branch of service. Though without experience, I prepared, shortly after I went in, the bill for its organization, and on its passage I drew up the body of rules for carrying the act into execution; both of which remain substantially unchanged to this day. After reducing the outstanding accounts to a few millions, and introducing order and accountability in every branch of service, and bringing down the expenditure of the army from four to two and a half millions annually, without subtracting a single comfort from either officer or soldier, I left the department in a condition that might well be compared to the best in any country. If I am deficient in the qualities which the senator attributes to me, here in this mass of details and business it ought to be discovered. Will he look to this to make good his charge?

"From the war department I was transferred to the Chair which you now occupy. How I acquitted myself in the discharge of its duties, I leave it to the body to decide, without adding a word. The station, from its leisure, gave me a good opportunity to study the genius of the prominent measure of the day, called then the American system; of which I profited. I soon perceived where its errors lay, and how it would operate. I clearly saw its desolating effects in one section, and corrupting influence in the other; and when I saw that it could not be arrested here, I fell back on my own State, and a blow was given to a system destined to destroy our institutions, if not overthrown, which brought it to the ground. This brings me down to the present times, and where passions and prejudices are yet too strong to make an appeal, with any prospect of a fair and impartial verdict. I then transfer this, and all my subsequent acts, including the present, to the tribunal of posterity; with a perfect confidence that nothing will be found, in what I have said or done, to impeach my integrity or understanding.

"I have now, senators, repelled the attacks on me. I have settled the account and cancelled the debt between me and my accuser. I have not sought this controversy, nor have I shunned it when forced on me. I have acted on the defensive, and if it is to continue, which rests with the senator, I shall throughout continue so to act. I know too well the advantage of my position to surrender it. The senator commenced the controversy, and it is but right that he should be responsible for the direction it shall hereafter take. Be his determination what it may, I stand prepared to meet him."

CHAPTER XXVIII.
DEBATE BETWEEN MR. CLAY AND MR. CALHOUN REJOINDERS BY EACH

Mr. Clay: – "As to the personal part of the speech of the senator from South Carolina, I must take the occasion to say that no man is more sincerely anxious to avoid all personal controversy than myself. And I may confidently appeal to the whole course of my life for the confirmation of that disposition. No man cherishes less than I do feelings of resentment; none forgets or forgives an injury sooner than I do. The duty which I had to perform in animadverting upon the public conduct and course of the senator from South Carolina was painful in the extreme; but it was, nevertheless, a public duty; and I shrink from the performance of no duty required at my hands by my country. It was painful, because I had long served in the public councils with the senator from South Carolina, admired his genius, and for a great while had been upon terms of intimacy with him. Throughout my whole acquaintance with him, I have constantly struggled to think well of him, and to ascribe to him public virtues. Even after his famous summerset at the extra session, on more than one occasion I defended his motives when he was assailed; and insisted that it was uncharitable to attribute to him others than those which he himself avowed. This I continued to do, until I read this most extraordinary and exceptionable letter: [Here Mr. Clay held up and exhibited to the Senate the Edgefield letter, dated at Fort Hill, November 3, 1837:] a letter of which I cannot speak in merited terms, without a departure from the respect which I owe to the Senate and to myself. When I read that letter, sir, its unblushing avowals, and its unjust reproaches cast upon my friends and myself, I was most reluctantly compelled to change my opinion of the honorable senator from South Carolina. One so distinguished as he is, cannot expect to be indulged with speaking as he pleases of others, without a reciprocal privilege. He cannot suppose that he may set to the right or the left, cut in and out, and *chasse*, among principles and parties as often as he pleases, without animadversion. I did, indeed, understand the senator to say, in his former speech, that we, the whigs, were unwise and *unpatriotic* in not uniting with him in supporting the bill under consideration. But in that Edgefield letter, among the motives which he assigns for leaving us, I understand him to declare that he could not 'back and sustain those in such opposition, in whose wisdom, firmness, and patriotism, I have no reason to confide.'

> "After having written and published to the world such a letter as that, and after what has fallen from the senator, in the progress of this debate, towards my political friends, does he imagine that he can persuade himself and the country that he really occupies, on this occasion, a defensive attitude? In that letter he says:
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> "'I clearly saw that our bold and vigorous attacks had made a deep and successful impression. State interposition had overthrown the protective tariff, and with it the American system, and put a stop to the congressional usurpation; and the joint attacks of our party, and that of our old opponents, the national republicans, had effectually brought down the power of the Executive, and arrested its encroachments for the present. It was for that purpose we had united. True to our principle of opposition to the encroachment of power, from whatever quarter it might come, we did not hesitate, after overthrowing the protective system, and arresting legislative usurpation, to join the authors of that system, in order to arrest the encroachments of the Executive, although we differed as widely as the poles on almost every other question, and regarded the usurpation of the Executive but as a necessary consequence of the principles and policy of our new allies.'

"State interposition! – that is as I understand the senator from South Carolina; nullification, he asserts, overthrew the protective tariff and the American system. And can that senator, knowing what he knows, and what I know, deliberately make such an assertion here? I had heard similar boasts before, but did not regard them, until I saw them coupled in this letter with the imputation of a purpose on the part of my friends to disregard the compromise, and revive the high tariff. Nullification, Mr. President, overthrew the protective policy! No, sir. The compromise was not extorted by the terror of nullification. Among other more important motives that influenced its passage, it was a compassionate concession to the imprudence and impotency of nullification! The danger from nullification itself excited no more apprehension than would be felt by seeing a regiment of a thousand boys, of five or six years of age, decorated in brilliant uniforms, with their gaudy plumes and tiny muskets, marching up to assault a corps of 50,000 grenadiers, six feet high. At the commencement of the session of 1832, the senator from South Carolina was in any condition other than that of dictating terms. Those of us who were then here must recollect well his haggard looks and his anxious and depressed countenance. A highly estimable friend of mine, Mr. J. M. Clayton, of Delaware, alluding to the possibility of a rupture with South Carolina, and declarations of President Jackson with respect to certain distinguished individuals whom he had denounced and proscribed, said to me, on more than one occasion, referring to the senator from South Carolina and some of his colleagues, "They are clever fellows, and it will never do to let old Jackson hang them." Sir, this disclosure is extorted from me by the senator.

"So far from nullification having overthrown the protective policy, in assenting to the compromise, it expressly sanctioned the constitutional power which it had so strongly controverted, and perpetuated it. There is protection from one end to the other in the compromise act; modified and limited it is true, but protection nevertheless. There is protection, adequate and abundant protection, until the year 1842; and protection indefinitely beyond it. Until that year, the biennial reduction of duties is slow and moderate, such as was perfectly satisfactory to the manufacturers. Now, if the system were altogether unconstitutional, as had been contended, how could the senator vote for a bill which continued it for nine years? Then, beyond that period, there is the provision for cash duties, home valuations, a long and liberal list of free articles, carefully made out by my friend from Rhode Island (Mr. Knight), expressly for the benefit of the manufacturers; and the power of discrimination, reserved also for their benefit; within the maximum rate of duty fixed in the act. In the consultations between the senator and myself in respect to the compromise act, on every point upon which I insisted he gave way. He was for a shorter term than nine years, and more rapid reduction. I insisted, and he yielded. He was for fifteen instead of twenty per cent. as the maximum duty; but yielded. He was against any discrimination within the limited range of duties for the benefit of the manufacturers; but consented. To the last he protested against home valuation, but finally gave way. Such is the compromise act; and the Senate will see with what propriety the senator can assert that nullification had overthrown the protective tariff and the American system. Nullification! which asserted the extraordinary principle that one of twenty-four members of a confederacy, by its separate action, could subvert and set aside the expressed will of the whole! Nullification! a strange, impracticable, incomprehensible doctrine, that partakes of the character of the metaphysical school of German philosophy, or would be worthy of the puzzling theological controversies of the middle ages.

"No one, Mr. President, in the commencement of the protective policy, ever supposed that it was to be perpetual. We hoped and believed that temporary protection extended to our infant manufactures, would bring them up, and enable them to withstand competition with those of Europe. We thought, as the wise French minister did, who, when urged by a British minister to consent to the equal introduction into the two countries of their respective productions, replied that free trade might be very well for a country whose manufactures had reached perfection, but was not entirely adapted to a country which wished to build up its manufactures. If the protective policy were entirely to cease in 1842, it would have existed twenty-six years from 1816, or 18 from 1824; quite as long

as, at either of those periods, its friends supposed might be necessary. But it does not cease then, and I sincerely hope that the provisions contained in the compromise act for its benefit beyond that period, will be found sufficient for the preservation of all our interesting manufactures. For one, I am willing to adhere to, and abide by the compromise in all its provisions, present and prospective, if its fair operation is undisturbed. The Senate well knows that I have been constantly in favor of a strict and faithful adherence to the compromise act. I have watched and defended it on all occasions. I desire to see it faithfully and inviolably maintained. The senator, too, from South Carolina, alleging that the South were the weaker party, has hitherto united with me in sustaining it. Nevertheless, he has left us, as he tells us in his Edgefield letter, because he apprehended that our principles would lead us to the revival of a high tariff.

"The senator from South Carolina proceeds, in his Edgefield letter, to say:

> "'I clearly perceived that a very important question was presented for our determination, which we were compelled to decide forthwith: shall we continue our joint attack with the nationals on those in power, in the new position which they have been compelled to occupy? It was clear that, with our joint forces, we could utterly overthrow and demolish them. But it was not less clear that *the victory would enure not to us*, but exclusively to the benefit of our allies and their cause.'

"Thus it appears that in a common struggle for the benefit of our whole country, the senator was calculating upon the party advantages which would result from success. He quit us because he apprehended that he and his party would be absorbed by us. Well, what is to be their fate in his new alliance? Is there no absorption there? Is there no danger that the senator and his party will be absorbed by the administration party? Or does he hope to absorb that? Another motive avowed in the letter, for his desertion of us, is, that 'it would also give us the chance of effecting what is still more important to us, the union of the entire South.' What sort of an union of the South does the senator wish? Is not the South already united as a part of the common confederacy? Does he want any other union of it? I wish he would explicitly state. I should be glad, also, if he would define what he means by the South. He sometimes talks of the plantation or staple States. Maryland is partly a staple State. Virginia and North Carolina more so. And Kentucky and Tennessee have also staple productions. Are all these States parts of *his* South? I fear, Mr. President, that the political geography of the senator comprehends a much larger South than that South which is the object of his particular solicitude; and that, to find the latter, we should have to go to South Carolina; and, upon our arrival there, trace him to Fort Hill. This is the disinterested senator from South Carolina!

"But he has left no party, and joined no party! No! None. With the daily evidences before us of his frequent association, counselling and acting with the other party, he would tax our credulity too much to require us to believe that he has formed no connection with it. He may stand upon his reserved rights; but they must be mentally reserved, for they are not obvious to the senses. Abandoned no party? Why this letter proclaims his having quitted us, and assigns his reasons for doing it; one of which is, that we are in favor of that national bank which the senator himself has sustained about twenty-four years of the twenty-seven that he has been in public life. Whatever impression the senator may endeavor to make without the Senate upon the country at large, no man within the Senate, who has eyes to see, or ears to hear, can mistake his present position and party connection. If, in the speech which I addressed to the Senate on a former day, there had been a single fact stated which was not perfectly true, or an inference drawn which was not fully warranted, or any description of his situation which was incorrect, no man would enjoy greater pleasure than I should do in rectifying the error. If, in the picture which I portrayed of the senator and his course, there be any thing which can justly give him dissatisfaction, he must look to the original and not to the painter. The conduct of an eminent public man is a fair subject for exposure and animadversion. When I addressed the Senate before, I had just perused this letter. I recollected all its reproaches and imputations against us,

and those which were made or implied in the speech of the honorable senator were also fresh in my memory. Does he expect to be allowed to cast such imputations, and make such reproaches against others without retaliation? Holding myself amenable for my public conduct, I choose to animadvert upon his, and upon that of others, whenever circumstances, in my judgment, render it necessary; and I do it under all just responsibility which belongs to the exercise of such a privilege.

"The senator has thought proper to exercise a corresponding privilege towards myself; and, without being very specific, has taken upon himself to impute to me the charge of going over upon some occasion, and that in a manner which left my motive no matter of conjecture. If the senator mean to allude to the stale and refuted calumny of George Kremer, I assure him I can hear it without the slightest emotion; and if he can find any fragment of that rent banner to cover his own aberrations, he is perfectly at liberty to enjoy all the shelter which it affords. In my case there was no going over about it; I was a member of the House of Representatives, and had to give a vote for one of three candidates for the presidency. Mr. Crawford's unfortunate physical condition placed him out of the question. The choice was, therefore, limited to the venerable gentleman from Massachusetts, or to the distinguished inhabitant of the hermitage. I could give but one vote; and, accordingly, as I stated on a former occasion, I gave the vote which, before I left Kentucky, I communicated to my colleague [Mr. Crittenden], it was my intention to give in the contingency which happened. I have never for one moment regretted the vote I then gave. It is true, that the legislature of Kentucky had requested the representatives from that State to vote for General Jackson; but my own immediate constituents, I knew well, were opposed to his election, and it was their will, and not that of the legislature, according to every principle applicable to the doctrine of instructions, which I was to deposit in the ballot-box. It is their glory and my own never to have concurred in the elevation of General Jackson. They ratified and confirmed my vote, and every representative that they have sent to Congress since, including my friend, the present member, has concurred with me in opposition to the election and administration of General Jackson.

"If my information be not entirely incorrect, and there was any going over in the presidential election which terminated in February, 1825, the senator from South Carolina – and not I – went over. I have understood that the senator, when he ceased to be in favor of himself, – that is, after the memorable movement made in Philadelphia by the present minister to Russia (Mr. Dallas), withdrawing his name from the canvass, was the known supporter of the election of Mr. Adams. What motives induced him afterwards to unite in the election of General Jackson, I know not. It is not my habit to impute to others uncharitable motives, and I leave the senator to settle that account with his own conscience and his country. No, sir, I have no reproaches to make myself, and feel perfectly invulnerable to any attack from others, on account of any part which I took in the election of 1825. And I look back with entire and conscious satisfaction upon the whole course of the arduous administration which ensued.

"The senator from South Carolina thinks it to be my misfortune to be always riding some hobby, and that I stick to it till I ride it down. I think it is his never to stick to one long enough. He is like a courier who, riding from post to post, with relays of fresh horses, when he changes his steed, seems to forget altogether the last which he had mounted. Now, it is a part of my pride and pleasure to say, that I never in my life changed my deliberate opinion upon any great question of national policy but once, and that was twenty-two years ago, on the question of the power to establish a bank of the United States. The change was wrought by the sad and disastrous experience of the want of such an institution, growing out of the calamities of war. It was a change which I made in common with Mr. Madison, two governors of Virginia, and the great body of the republican party, to which I have ever belonged.

"The distinguished senator sticks long to no hobby. He was once gayly mounted on that of internal improvements. We rode that double – the senator before, and I behind him. He quietly slipped off, leaving me to hold the bridle. He introduced and carried through Congress in 1816, the

bill setting apart the large bonus of the Bank of the United States for internal improvements. His speech, delivered on that occasion, does not intimate the smallest question as to the constitutional power of the government, but proceeds upon the assumption of its being incontestable. When he was subsequently in the department of war, he made to Congress a brilliant report, sketching as splendid and magnificent a scheme of internal improvements for the entire nation, as ever was presented to the admiration and wonder of mankind.

"No, sir, the senator from South Carolina is free from all reproach of sticking to hobbies. He was for a bank of the United States in 1816. He proposed, supported, and with his accustomed ability, carried through the charter. He sustained it upon its admitted grounds of constitutionality, of which he never once breathed the expression of a doubt. During the twenty years of its continuance no scruple ever escaped from him as to the power to create it. And in 1834, when it was about to expire, he deliberately advocated the renewal of its term for twelve years more. How profound he may suppose the power of analysis to be, and whatever opinion he may entertain of his own metaphysical faculty, – can he imagine that any plain, practical, common sense man can ever comprehend how it is constitutional to prolong an unconstitutional bank for twelve years? He may have all the speeches he has ever delivered read to us in an audible voice by the secretary, and call upon the Senate attentively to hear them, beginning with his speech in favor of a bank of the United States in 1816, down to his speech *against* a bank of the United States, delivered the other day, and he will have made no progress in his task. I do not speak this in any unkind spirit, but I will tell the honorable senator when he will be consistent. He will be so, when he resolves henceforward, during the residue of his life, never to pronounce the word again. We began our public career nearly together; we remained together throughout the war and down to the peace. We agreed as to a bank of the United States – as to a protective tariff – as to internal improvements – and lately, as to those arbitrary and violent measures which characterized the administration of General Jackson. No two prominent public men ever agreed better together in respect to important measures of national policy. We concur now in nothing. We separate for ever."

Mr. Calhoun. "The senator from Kentucky says that the sentiments contained in my Edgefield letter then met his view for the first time, and that he read that document with equal pain and amazement. Now it happens that I expressed these self-same sentiments just as strongly in 1834, in a speech which was received with unbounded applause by that gentleman's own party; and of which a vast number of copies were published and circulated throughout the United States.

"But the senator tells us that he is among the most constant men in this world. I am not in the habit of charging others with inconsistency; but one thing I will say, that if the gentleman has not changed *his principles*, he has most certainly changed *his company*; for, though he boasts of setting out in public life a republican of the school of '98, he is now surrounded by some of the most distinguished members of the old federal party. I do not desire to disparage that party. I always respected them as men, though I believed their political principles to be wrong. Now, either the gentleman's associates have changed, or he has; for they are now together, though belonging formerly to different and opposing parties – parties, as every one knows, directly opposed to each other in policy and principles.

"He says I was in favor of the tariff of 1816, and took the lead in its support. He is certainly mistaken again. It was in charge of my colleague and friend, Mr. Lowndes, chairman then of the committee of Ways and Means, as a revenue measure only. I took no other part whatever but to deliver an off-hand speech, at the request of a friend. The question of protection, as a constitutional question, was not touched at all. It was not made, if my memory serves me, for some years after. As to protection, I believe little of it, except what all admit was incidental to revenue, was contained in the act of 1816. As to my views in regard to protection at that early period, I refer to my remarks in 1813, when I opposed a renewal of the non-importation act, expressly on the ground of its giving too much protection to the manufacturers. But while I declared, in my place, that I was opposed to it

on that ground, I at the same time stated that I would go as far as I could with propriety, when peace returned, to protect the capital which the war and the extreme policy of the government had turned into that channel. The senator refers to my report on internal improvement, when I was secretary of war; but, as usual with him, forgets to tell that I made it in obedience to a resolution of the House, to which I was bound to answer, and that I expressly stated I did not involve the constitutional question; of which the senator may now satisfy himself, if he will read the latter part of the report. As to the bonus bill, it grew out of the recommendation of Mr. Madison in his last message; and although I proposed that the bonus should be set apart for the purpose of internal improvement, leaving it to be determined thereafter, whether we had the power, or the constitution should be amended, in conformity to Mr. Madison's recommendation. I did not touch the question to what extent Congress might possess the power; and when requested to insert a direct recognition of the power by some of the leading members, I refused, expressly on the ground that, though I believed it existed, I had not made up my mind how far it extended. As to the bill, it was perfectly constitutional in my opinion then, and which still remains unchanged, to set aside the fund proposed, and with the object intended, but which could not be used without specific appropriations thereafter.

"In my opening remarks to-day, I said the senator's speech was remarkable, both for its omissions and mistakes; and the senator infers, with his usual inaccuracy, that I alluded to a difference between his spoken and printed speech, and that I was answering the latter. In this he was mistaken; I hardly ever read a speech, but reply to what is said here in debate. I know no other but the speech delivered here.

"As to the arguments of each of us, I am willing to leave them to the judgment of the country: his speech and arguments, and mine, will be read with the closer attention and deeper interest in consequence of this day's occurrence. It is all I ask."

Mr. Clay. "It is very true that the senator had on other occasions, besides his Edgefield letter, claimed that the influence arising from the interference of his own State had effected the tariff compromise. Mr. C. had so stated the fact when up before. But in the Edgefield letter the senator took new ground, he denounced those with whom he had been acting, as persons in whom he could have no confidence, and imputed to them the design of renewing a high tariff and patronizing extravagant expenditures, as the natural consequences of the establishment of a bank of the United States, and had presented this as a reason for his recent course. When, said Mr. C., I saw a charge like this, together with an imputation of unworthy motives, and all this deliberately written and published, I could not but feel very differently from what I should have done under a mere casual remark.

"But the senator says, that if I have not changed principles, I have at least got into strange company. Why really, Mr. President, the gentleman has so recently changed his relations that he seems to have forgotten into what company he has fallen himself. He says that some of my friends once belonged to the federal party. Sir, I am ready to go into an examination with the honorable senator at any time, and then we shall see if there are not more members of that same old federal party amongst those whom the senator has so recently joined, than on our side of the house. The plain truth is, that it is the old federal party with whom he is now acting. For all the former grounds of difference which distinguished that party, and were the great subjects of contention between them and the republicans, have ceased from lapse of time and change of circumstances, with the exception of one, and that is the maintenance and increase of executive power. This was a leading policy of the federal party. A strong, powerful, and energetic executive was its favorite tenet. The leading members of that party had come out of the national convention with an impression that under the new constitution the executive arm was too weak. The danger they apprehended was, that the executive would be absorbed by the legislative department of the government; and accordingly the old federal doctrine was that the Executive must be upheld, that its influence must be extended and strengthened; and as a means to this, that its patronage must be multiplied. And what, I pray, is at this hour the leading object of that party, which the senator has joined, but this very thing? It was maintained in

the convention by Mr. Madison, that to remove a public officer without valid cause, would rightfully subject a president of the United States to impeachment. But now not only is no reason required, but the principle is maintained that no reason can be asked. A is removed and B is put in his place, because such is the pleasure of the president.

"The senator is fond of the record. I should not myself have gone to it but for the infinite gravity and self-complacency with which he appeals to it in vindication of his own consistency. Let me then read a little from one of the very speeches in 1834, from which he has so liberally quoted, and called upon the secretary to read so loud, and the Senate to listen so attentively:

> "'But there is in my opinion a strong, if not an insuperable objection against resorting to this measure, resulting from the *fact* that an exclusive receipt of specie in the treasury would, to give it efficacy, and to prevent extensive speculation and fraud, require an entire disconnection on the part of the government, with the banking system, in all its forms, and a resort to the strong box, as the means of preserving and guarding its funds – a means, if practicable at all in the present state of things, liable to the objection of being *far less safe, economical, and efficient, than the present*.'"

"Here is a strong denunciation of that very system he is now eulogising to the skies. Here he deprecates a disconnection with all banks as a most disastrous measure; and, as the strongest argument against it, says that it will necessarily lead to the antiquated policy of the strong box. Yet, now the senator thinks the strong box system the wisest thing on earth. As to the acquiescence of the honorable senator in measures deemed by him unconstitutional, I only regret that he suddenly stopped short in his acquiescence. He was, in 1816, at the head of the finance committee, in the other House, having been put there by myself, *acquiescing* all the while in the doctrines of a bank, as perfectly sound, and reporting to that effect. He acquiesced for nearly twenty years, not a doubt escaping from him during the whole time. The year 1834 comes: the deposits are seized, the currency turned up side down, and the senator comes forward and proposes as a remedy a continuation of the Bank of the United States for twelve years – here acquiescing once more; and as he tells us, in order to save the country. But if the salvation of the country would justify his acquiescence in 1816 and in 1834, I can only regret that he did not find it in his heart to acquiesce once more in what would have remedied all our evils.

"In regard to the tariff of 1816, has the senator forgotten the dispute at that time about the protection of the cotton manufacture? The very point of that dispute was, whether we had a right to give protection or not. He admits the truth of what I said, that the constitutional question as to the power of the government to protect our own industry was never raised before 1820 or 1822. It was but first hinted, then controverted, and soon after expanded into nullification, although the senator had supported the tariff of 1816 on the very ground that we had power. I do not now recollect distinctly his whole course in the legislature, but he certainly introduced the bonus bill in 1816, and sustained it by a speech on the subject of internal improvements, which neither expresses nor implies a doubt of the constitutional power. But why set apart a bonus, if the government had no power to make internal improvements? If he wished internal improvements, but conscientiously believed them unconstitutional, why did he not introduce a resolution proposing to amend the constitution? Yet he offered no such thing. When he produced his splendid report from the war department, what did he mean? Why did he tantalize us with that bright and gorgeous picture of canals and roads, and piers and harbors, if it was unconstitutional for us to touch the plan with one of our fingers? The senator says in reply, that this report did not broach the constitutional question. True. But why? Is there any other conclusion than that he did not entertain himself any doubt about it? What a most extraordinary thing would it be, should the head of a department, in his official capacity, present a report to both houses of Congress, proposing a most elaborate plan for the internal improvement of the whole union, accompanied by estimates and statistical tables, when he believed there was no

power in either house to adopt any part of it. The senator dwells upon his consistency: I can tell him when he will be consistent – and that is when he shall never pronounce that word again."

Mr. Calhoun. "As to the tariff of 1816, I never denied that Congress have the power to impose a protective tariff for the purpose of revenue; and beyond that the tariff of 1816 did not go one inch. The question of the constitutionality of the protective tariff was never raised till some time afterwards.

"As to what the senator says of executive power, I, as much as he, am opposed to its augmentation, and I will go as far in preventing it as any man in this House. I maintain that the executive and judicial authorities should have no discretionary power, and as soon as they begin to exercise such power, the matter should be taken up by Congress. These opinions are well grounded in my mind, and I will go as far as any in bringing the Executive to this point. But, I believe, the Executive is now outstripped by the congressional power. He is for restricting the one. I war upon both.

"The senator says I assigned as a reason of my course at the extra session that I suspected that he and the gentleman with whom he acted would revive the tariff. I spoke not of the tariff, but a national bank. I believe that banks naturally and assuredly ally themselves to taxes on the community. The higher the taxes the greater their profits; and so it is with regard to a surplus and the government disbursements. If the banking power is on the side of a national bank, I see in that what may lead to all the consequences which I have described; and I oppose institutions that are likely to lead to such results. When the bank should receive the money of the government, it would ally itself to taxation, and it ought to be resisted on that ground. I am very glad that the question is now fairly met. The fate of the country depends on the point of separation; if there be a separation between the government and banks, the banks will be on the republican side in opposition to taxes; if they unite, they will be in favor of the exercise of the taxing power.

"The senator says I acquiesced in the use of the banks because the banks existed. I did so because the connection existed. The banks were already used as depositories of the government, and it was impossible at once to reverse that state of things. I went on the ground that the banks were a necessary evil. The State banks exist; and would not he be a madman that would annihilate them because their respective bills are uncurrent in distant parts of the country? The work of creating them is done, and cannot be reversed; when once done, it is done for ever.

"I was formerly decided in favor of separating the banks and the government, but it was impossible then to make it, and it would have been followed by nothing but disaster. The senator says the separation already exists; but it is only contingent; whenever the banks resume, the connection will be legally restored. In 1834 I objected to the sub-treasury project, and I thought it not as safe as the system now before us. But it turns out that it was more safe, as appears from the argument of the senator from Delaware, (Mr. Bayard.) I was then under the impression that the banks were more safe but it proves otherwise."

Mr. Clay. "If the senator would review his speech again, he would see there a plain and explicit denunciation of a sub-treasury system.

"The distinguished senator from South Carolina (I had almost said my friend from South Carolina, so lately and so abruptly has he bursted all amicable relations between us, independent of his habit of change, I think, when he finds into what federal doctrines and federal company he has gotten, he will be disposed soon to feel regret and to return to us,) has not, I am persuaded, weighed sufficiently the import of the unkind imputations contained in his Edgefield letter towards his former allies – imputations that their principles are dangerous to our institutions, and of their want of firmness and patriotism. I have read that singular letter again and again, with inexpressible surprise and regret; more, however, if he will allow me to say so, on his own than on our account.

"Mr. President, I am done; and I sincerely hope that the adjustment of the account between the senator and myself, just made, may be as satisfactory to him as I assure him and the Senate it is perfectly so to me."

Mr. Calhoun. "I have more to say, but will forbear, as the senator appears desirous of having the last word."

Mr. Clay. "Not at all."

The personal debate between Mr. Calhoun and Mr. Clay terminated for the day, and with apparent good feeling; but only to break out speedily on a new point, and to lead to further political revelations important to history. Mr. Calhoun, after a long alienation, personal as well as political, from Mr. Van Buren, and bitter warfare upon him, had become reconciled to him in both capacities, and had made a complimentary call upon him, and had expressed to him an approbation of his leading measures. All this was natural and proper after he had become a public supporter of these measures; but a manifestation of respect and confidence so decided, after a seven years' perseverance in a warfare so bitter, could not be expected to pass without the imputation of sinister motives; and, accordingly, a design upon the presidency as successor to Mr. Van Buren was attributed to him. The opposition newspapers abounded with this imputation; and an early occasion was taken in the Senate to make it the subject of a public debate. Mr. Calhoun had brought into the Senate a bill to cede to the several States the public lands within their limits, after a sale of the saleable parts at graduated prices, for the benefit of both parties – the new States and the United States. It was the same bill which he had brought in two years before; but Mr. Clay, taking it up as a new measure, inquired if it was an administration measure? whether he had brought it in with the concurrence of the President? If nothing more had been said Mr. Calhoun could have answered, that it was the same bill which he had brought in two years before, when he was in opposition to the administration; and that his reasons for bringing it in were the same now as then; but Mr. Clay went on to taunt him with his new relations with the chief magistrate, and to connect the bill with the visit to Mr. Van Buren and approval of his measures. Mr. Calhoun saw that the inquiry was only a vehicle for the taunt, and took it up accordingly in that sense: and this led to an exposition of the reasons which induced him to join Mr. Van Buren, and to explanations on other points, which belong to history. Mr. Clay began the debate thus:

> "Whilst up, Mr. Clay would be glad to learn whether the administration is in favor of or against this measure, or stands neutral and uncommitted. This inquiry he should not make, if the recent relations between the senator who introduced this bill and the head of that administration, continued to exist; but rumors, of which the city, the circles, and the press are full, assert that those relations are entirely changed, and have, within a few days, been substituted by others of an intimate, friendly, and confidential nature. And shortly after the time when this new state of things is alleged to have taken place, the senator gave notice of his intention to move to introduce this bill. Whether this motion has or has not any connection with that adjustment of former differences, the public would, he had no doubt, be glad to know. At all events, it is important to know in what relation of support, opposition, or neutrality, the administration actually stands to this momentous measure; and he [Mr. C.] supposed that the senator from South Carolina, or some other senator, could communicate the desired information."

Mr. Calhoun, besides vindicating himself, rebuked the indecorum of making his personal conduct a subject of public remark in the Senate; and threw back the taunt by reminding Mr. Clay of his own change in favor of Mr. Adams.

> "He said the senator from Kentucky had introduced other, and extraneous personal matter; and asked whether the bill had the sanction of the Executive; assigning as a reason for his inquiry, that, if rumor was to be credited, a change of personal relation had taken place between the President and myself within the last few days. He [Mr. C.] would appeal to the Senate whether it was decorous or proper that his personal relations should be drawn in question here. Whether he should

establish or suspend personal relations with the President, or any other person, is a private and personal concern, which belongs to himself individually to determine on the propriety, without consulting any one, much less the senator. It was none of his concern, and he has no right to question me in relation to it.

"But the senator assumes that a change in my personal relations involves a change of political position; and it is on that he founds his right to make the inquiry. He judges, doubtless, by his own experience; but I would have him to understand, said Mr. C., that what may be true in his own case on a memorable occasion, is not true in mine. His political course may be governed by personal considerations; but mine, I trust, is governed strictly by my principles, and is not at all under the control of my attachments or enmities. Whether the President is personally my friend or enemy, has no influence over me in the discharge of my duties, as, I trust, my course has abundantly proved. Mr. C. concluded by saying, that he felt that these were improper topics to introduce here, and that he had passed over them as briefly as possible."

This retort gave new scope and animation to the debate, and led to further expositions of the famous compromise of 1833, which was a matter of concord between them at the time, and of discord ever since; and which, being much condemned in the first volume of this work, the authors of it are entitled to their own vindications when they choose to make them: and this they found frequent occasion to do. The debate proceeded:

"Mr. Clay contended that his question, as to whether this was an administration measure or not, was a proper one, as it was important for the public information. He again referred to the rumors of Mr. Calhoun's new relations with the President, and supposed from the declarations of the senator, that these rumors were true; and that his support, if not pledged, was at least promised conditionally to the administration. Was it of no importance to the public to learn that these pledges and compromises had been entered into? – that the distinguished senator had made his bow in court, kissed the hand of the monarch, was taken into favor, and agreed henceforth to support his edicts?"

This allusion to rumored pledges and conditions on which Mr. Calhoun had joined Mr. Van Buren, provoked a retaliatory notice of what the same rumor had bruited at the time that Mr. Clay became the supporter of Mr. Adams; and Mr. Calhoun said:

"The senator from Kentucky had spoken much of pledges, understandings, and political compromises, and sudden change of personal relations. He [said Mr. C.] is much more experienced in such things than I am. If my memory serves me, and if rumors are to be trusted, the senator had a great deal to do with such things, in connection with a distinguished citizen; now of the other House; and it is not at all surprising, from his experience then, in his own case, that he should not be indisposed to believe similar rumors of another now. But whether his sudden change of personal relations then, from bitter enmity to the most confidential friendship with that citizen, was preceded by pledges, understandings, and political compromises on the part of one or both, it is not for me to say. The country has long since passed on that."

All this taunt on both sides was mere irritation, having no foundation in fact. It so happened that the writer of this View, on each of these occasions (of sudden conjunctions with former adversaries), stood in a relation to know what took place. In one case he was confidential with Mr. Clay; in the other with Mr. Van Buren. In a former chapter he has given his testimony in favor of Mr. Clay, and against

the imputed bargain with Mr. Adams: he can here give it in favor of Mr. Calhoun. He is entirely certain – as much so as it is possible to be in supporting a negative – that no promise, pledge, or condition of any kind, took place between Mr. Calhoun and Mr. Van Buren, in coming together as they did at this juncture. How far Mr. Calhoun might have looked to his own chance of succeeding Mr. Van Buren, is another question, and a fair one. The succession was certainly open in the democratic line. Those who stood nearest the head of the party had no desire for the presidency, but the contrary; and only wished a suitable chief magistrate at the head of the government – giving him a cordial support in all patriotic measures; and preserving their independence by refusing his favors. This allusion refers especially to Mr. Silas Wright; and if it had not been for a calamitous conflagration, there might be proof that it would apply to another. Both Mr. Wright and Mr. Benton refused cabinet appointments from Mr. Van Buren; and repressed every movement in their favor towards the presidency. Under such circumstances, Mr. Calhoun might have indulged in a vision of the democratic succession, after the second term of Mr. Van Buren, without the slippery and ignominious contrivance of attempting to contract for it beforehand. There was certainly a talk about it, and a sounding of public men. Two different friends of Mr. Calhoun, at two different times and places, – one in Missouri (Thomas Hudson, Esq.), and the other in Washington (Gov. William Smith, of Virginia), – inquired of this writer whether he had said that he could not support Mr. Calhoun for the presidency, if nominated by a democratic convention? and were answered that he had, and because Mr. Calhoun was the author of nullification, and of measures tending to the dissolution of the Union. The answer went into the newspapers, without the agency of him who gave it, and without the reasons which he gave: and his opposition was set down to causes equally gratuitous and unfounded – one, personal ill-will to Mr. Calhoun; the other, a hankering after the place himself. But to return to Messrs. Clay and Calhoun. These reciprocal taunts having been indulged in, the debate took a more elevated turn, and entered the region of history. Mr. Calhoun continued:

> "I will assure the senator, if there were pledges in his case, there were none in mine. I have terminated my long-suspended personal intercourse with the President, without the slightest pledge, understanding, or compromise, on either side. I would be the last to receive or exact such. The transition from their former to their present personal relation was easy and natural, requiring nothing of the kind. It gives me pleasure to say, thus openly, that I have approved of all the leading measures of the President, since he took the Executive chair, simply because they accord with the principles and policy on which I have long acted, and often openly avowed. The change, then, in our personal relations, had simply followed that of our political. Nor was it made suddenly, as the senator charges. So far from it, more than two years have elapsed since I gave a decided support to the leading measure of the Executive, and on which almost all others since have turned. This long interval was permitted to pass, in order that his acts might give assurance whether there was a coincidence between our political views as to the principles on which the government should be administered, before our personal relations should be changed. I deemed it due to both thus long to delay the change, among other reasons to discountenance such idle rumors as the senator alludes to. That his political course might be judged (said Mr. Calhoun) by the object he had in view, and not the suspicion and jealousy of his political opponents, he would repeat what he had said, at the last session, was his object. It is, said he, to obliterate all those measures which had originated in the national consolidation school of politics, and especially the senator's famous American system, which he believed to be hostile to the constitution and the genius of our political system, and the real source of all the disorders and dangers to which the country was, or had been, subject. This done, he was for giving the government a fresh departure, in the direction in which Jefferson and his associates would give,

were they now alive and at the helm. He stood where he had always stood, on the old State rights ground. His change of personal relation, which gave so much concern to the senator, so far from involving any change in his principles or doctrines, grew out of them."

The latter part of this reply of Mr. Calhoun is worthy of universal acceptance, and perpetual remembrance. The real source of all the disorders to which the country was, or had been subject, was in the system of legislation which encouraged the industry of one part of the Union at the expense of the other – which gave rise to extravagant expenditures, to be expended unequally in the two sections of the Union – and which left the Southern section to pay the expenses of a system which exhausted her. This remarkable declaration of Mr. Calhoun was made in 1839 – being four years after the slavery agitation had superseded the tariff agitation, – and which went back to that system of measures, of which protective tariff was the main-spring, to find, and truly find, the real source of all the dangers and disorders of the country – past and present. Mr. Clay replied:

"He had understood the senator as felicitating himself on the opportunity which had been now afforded him by Mr. C. of defining once more his political position; and Mr. C. must say that he had now defined it very clearly, and had apparently given it a new definition. The senator now declared that all the leading measures of the present administration had met his approbation, and should receive his support. It turned out, then, that the rumor to which Mr. C. had alluded was true, and that the senator from South Carolina might be hereafter regarded as a supporter of this administration, since he had declared that all its leading measures were approved by him, and should have his support. As to the allusion which the senator from South Carolina had made in regard to Mr. C.'s support of the head of another administration [Mr. Adams], it occasioned Mr. C. no pain whatever. It was an old story, which had long been sunk in oblivion, except when the senator and a few others thought proper to bring it up. But what were the facts of that case? Mr. C. was then a member of the House of Representatives, to whom three persons had been returned, from whom it was the duty of the House to make a selection for the presidency. As to one of those three candidates, he was known to be in an unfortunate condition, in which no one sympathized with him more than did Mr. C. Certainly the senator from South Carolina did not. That gentleman was therefore out of the question as a candidate for the chief magistracy; and Mr. C. had consequently the only alternative of the illustrious individual at the Hermitage, or of the man who was now distinguished in the House of Representatives, and who had held so many public places with honor to himself, and benefit to the country. And if there was any truth in history, the choice which Mr. C. then made was precisely the choice which the senator from South Carolina had urged upon his friends. The senator himself had declared his preference of Adams to Jackson. Mr. C. made the same choice; and his constituents had approved it from that day to this, and would to eternity. History would ratify and approve it. Let the senator from South Carolina make any thing out of that part of Mr. C.'s public career if he could. Mr. C. defied him. The senator had alluded to Mr. C. as the advocate of compromise. Certainly he was. This government itself, to a great extent, was founded and rested on compromise; and to the particular compromise to which allusion had been made, Mr. C. thought no man ought to be more grateful for it than the senator from South Carolina. But for that compromise, Mr. C. was not at all confident that he would have now had the honor to meet that senator face to face in this national capitol."

The allusion in the latter part of this reply was to the President's declared determination to execute the laws upon Mr. Calhoun if an *overt* act of treason should be committed under the nullification ordinance of South Carolina; and the preparations for which (overt act) were too far advanced to admit of another step, either backwards or forwards; and from which most critical condition the compromise relieved those who were too deeply committed, to retreat without ruin, or to advance without personal peril. Mr. Calhoun's reply was chiefly directed to this pregnant allusion.

> "The senator from Kentucky has said, Mr. President, that I, of all men, ought to be grateful to him for the compromise act."

[Mr. Clay. "I did not say 'to me.'"]

> "The senator claims to be the author of that measure, and, of course, if there be any gratitude due, it must be to him. I, said Mr. Calhoun, made no allusion to that act; but as the senator has thought proper to refer to it, and claim my gratitude, I, in turn, now tell him I feel not the least gratitude towards him for it. The measure was necessary to save the senator politically: and as he has alluded to the subject, both on this and on a former occasion, I feel bound to explain what might otherwise have been left in oblivion. The senator was then compelled to compromise to save himself. Events had placed him flat on his back, and he had no way to recover himself but by the compromise. This is no after thought. I wrote more than half a dozen of letters home at the time to that effect. I shall now explain. The proclamation and message of General Jackson necessarily rallied around him all the steadfast friends of the senator's system. They withdrew their allegiance at once from him, and transferred it to General Jackson. The senator was thus left in the most hopeless condition, with no more weight with his former partisans than this sheet of paper (raising a sheet from his desk). This is not all. The position which General Jackson had assumed, necessarily attracted towards him a distinguished senator from Massachusetts, not now here [Mr. Webster], who, it is clear, would have reaped all the political honors and advantages of the system, had the contest come to blows. These causes made the political condition of the senator truly forlorn at the time. On him rested all the responsibility, as the author of the system; while all the power and influence it gave, had passed into the hands of others. Compromise was the only means of extrication. He was thus forced by the action of the State, which I in part represent, against his system, by my counsel to compromise, in order to save himself. I had the mastery over him on the occasion."

This is historical, and is an inside view of history. Mr. Webster, in that great contest of nullification, was on the side of President Jackson, and the supreme defender of his great measure – the Proclamation of 1833; and the first and most powerful opponent of the measure out of which it grew. It was a splendid era in his life – both for his intellect, and his patriotism. No longer the advocate of classes, or interests, he appeared the great defender of the Union – of the constitution – of the country – and of the administration, to which he was opposed. Released from the bonds of party, and from the narrow confines of class and corporation advocacy, his colossal intellect expanded to its full proportions in the field of patriotism, luminous with the fires of genius; and commanding the homage, not of party, but of country. His magnificent harangues touched Jackson in his deepest-seated and ruling feeling – love of country! and brought forth the response which always came from him when the country was in peril, and a defender presented himself. He threw out the right hand of fellowship – treated Mr. Webster with marked distinction – commended him with public praise – and placed him on the roll of patriots. And the public mind took the belief, that they were to act together in future; and that a cabinet appointment, or a high mission, would be the reward of his patriotic service. (It was the report of such expected preferment that excited Mr. Randolph (then in

no condition to bear excitement) against General Jackson.) It was a crisis in the political life of Mr. Webster. He stood in public opposition to Mr. Clay and Mr. Calhoun. With Mr. Clay he had a public outbreak in the Senate. He was cordial with Jackson. The mass of his party stood by him on the proclamation. He was at a point from which a new departure might be taken: – one at which he could not stand still: from which there must be advance, or recoil. It was a case in which *will*, more than *intellect*, was to rule. He was above Mr. Clay and Mr. Calhoun in intellect – below them in will. And he was soon seen co-operating with them (Mr. Clay in the lead), in the great measure condemning President Jackson. And so passed away the fruits of the golden era of 1833. It was to the perils of this conjunction (of Jackson and Webster) that Mr. Calhoun referred, as the forlorn condition from which the compromise relieved Mr. Clay: and, allowing to each the benefit of his assertion, history avails herself of the declarations of each in giving an inside view of personal motives for a momentous public act. And, without deciding a question of mastery in the disputed victory, History performs her task in recording the fact that, in a brief space, both Mr. Calhoun and Mr. Webster were seen following the lead of Mr. Clay in his great attack upon President Jackson in the session of 1834-'35.

> "Mr. Clay, rejoining, said he had made no allusion to the compromise bill till it was done by the senator from South Carolina himself; he made no reference to the events of 1825 until the senator had himself set him the example; and he had not in the slightest and the most distant manner alluded to nullification until after the senator himself had called it up. The senator ought not to have introduced that subject, especially when he had gone over to the authors of the force bill and the proclamation. The senator from South Carolina said that he [Mr. C.] was flat on his back, and that he was my master. Sir, I would not own him as my slave. He my master! and I compelled by him! And, as if it were impossible to go far enough in one paragraph, he refers to certain letters of his own to prove that I was flat on my back! and, that I was not only on my back, but another senator and the President had robbed me! I was flat on my back, and unable to do any thing but what the senator from South Carolina permitted me to do!
>
> "Why, sir, [said Mr. C.] I gloried in my strength, and was compelled to introduce the compromise bill; and compelled, too, by the senator, not in consequence of the weakness, but of the strength, of my position. If it was possible for the senator from South Carolina to introduce one paragraph without showing the egotism of his character, he would not now acknowledge that he wrote letters home to show that he (Mr. C.) was flat on his back, while he was indebted to him for that measure which relieved him from the difficulties in which he was involved. Now, what was the history of the case? Flat as he was on his back, Mr. C. said he was able to produce that compromise, and to carry it through the Senate, in opposition to the most strenuous exertions of the gentleman who, the senator from South Carolina said, had supplanted him, and in spite of his determined and unceasing opposition. There was (said Mr. C.) a sort of necessity operating on me to compel me to introduce that measure. No necessity of a personal character influenced him; but considerations involving the interests, the peace and harmony of the whole country, as well as of the State of South Carolina, directed him in the course he pursued. He saw the condition of the senator from South Carolina and that of his friends; he saw the condition to which he had reduced the gallant little State of South Carolina by his unwise and dangerous measures; he saw, too, that we were on the eve of a civil war; and he wished to save the effusion of blood – the blood of our own fellow-citizens. That was one reason why he introduced the compromise bill. There was another reason that powerfully operated on him. The very interest that the tariff laws were enacted to protect – so great was the power of the then chief magistrate, and

> so rapidly was that power increasing – was in danger of being sacrificed. He saw that the protective system was in danger of being swept away entirely, and probably at the next session of Congress, by the tremendous power of the individual who then filled the Executive chair; and he felt that the greatest service that he could render it, would be to obtain for it 'a lease for a term of years,' to use an expression that had been heretofore applied to the compromise bill. He saw the necessity that existed to save the protective system from the danger which threatened it. He saw the necessity to advance the great interests of the nation, to avert civil war, and to restore peace and harmony to a distracted and divided country; and it was therefore that he had brought forward this measure. The senator from South Carolina, to betray still further and more strikingly the characteristics which belonged to him, said, that in consequence of his (Mr. C.'s) remarks this very day, all obligations towards him on the part of himself (Mr. Calhoun), of the State of South Carolina, and the whole South, were cancelled. And what right had the senator to get up and assume to speak of the whole South, or even of South Carolina herself? If he was not mistaken in his judgment of the political signs of the times, and if the information which came to him was to be relied on, a day would come, and that not very distant neither, when the senator would not dare to rise in his place and presume to speak as he had this day done, as the organ of the gallant people of the State he represented."

The concluding remark of Mr. Clay was founded on the belief, countenanced by many signs, that the State of South Carolina would not go with Mr. Calhoun in support of Mr. Van Buren; but he was mistaken. The State stood by her distinguished senator, and even gave her presidential vote for Mr. Van Buren at the ensuing election – being the first time she had voted in a presidential election since 1829. Mr. Grundy, and some other senators, put an end to this episodical and personal debate by turning the Senate to a vote on the bill before it.

CHAPTER XXIX.
INDEPENDENT TREASURY, OR, DIVORCE OF BANK AND STATE: PASSED IN THE SENATE: LOST IN THE HOUSE OF REPRESENTATIVES

This great measure consisted of two distinct parts: 1. The *keeping* of the public moneys: 2. The hard money currency in which they were to be paid. The two measures together completed the system of financial reform recommended by the President. The adoption of either of them singly would be a step – and a step going half the distance – towards establishing the whole system: and as it was well supposed that some of the democratic party would balk at the hard money payments, it was determined to propose the measures singly. With this view the committee reported a bill for the Independent Treasury – that is to say, for the keeping of the government moneys by its own officers – without designating the currency to be paid to them. But there was to be a loss either way; for unless the hard money payments were made a part of the act in the first instance, Mr. Calhoun and some of his friends could not vote for it. He therefore moved an amendment to that effect; and the hard money friends of the administration supporting his motion, although preferring that it had not been made, and some others voting for it as making the bill obnoxious to some other friends of the administration, it was carried; and became a part of the bill. At the last moment, and when the bill had been perfected as far as possible by its friends, and the final vote on its passage was ready to be taken, a motion was made to strike out that section – and carried – by the helping vote of some of the friends of the administration – as was well remarked by Mr. Calhoun. The vote was, for striking out – *Messrs.* Bayard, Buchanan, Clay of Kentucky, Clayton (Jno. M.), Crittenden, Cuthbert, Davis of Mississippi, Fulton, Grundy, Knight, McKean, Merrick, Morris, Nicholas, Prentiss, Preston, Rives, Robbins, Robinson, Ruggles, Sevier, Smith of Indiana, Southard, Spence, Swift, Talmadge, Tipton, Wall, White, Webster, Williams – 31. On the other hand only twenty-one senators voted for retaining the clause. They were – *Messrs.* Allen, of Ohio, Benton, Brown of North Carolina, Calhoun, Clay of Alabama, Hubbard of New Hampshire, King of Alabama, Linn of Missouri, Lumpkin of Georgia, Lyon of Michigan, Mouton of Louisiana, Niles, Norvell, Franklin Pierce, Roane of Virginia, Smith of Connecticut, Strange of North Carolina, Trotter of Mississippi, Robert J. Walker, Silas Wright, Young of Illinois – 21.

This section being struck from the bill, Mr. Calhoun could no longer vote for it; and gave his reasons, which justice to him requires to be preserved in his own words:

> "On the motion of the senator from Georgia (Mr. Cuthbert), the 23d section, which provides for the collection of the dues of the government in specie, was struck out, with the aid of a few on this side, and the entire opposition to the divorce on the other. That section provided for the repeal of the joint resolution of 1816, which authorizes the receipt of bank notes as cash in the dues of the public. The effects of this will be, should the bill pass in its present shape, that the government will collect its revenue and make its disbursements exclusively in bank notes; as it did before the suspension took place in May last. Things will stand precisely as they did then, with but a single exception, that the public deposits will be made with the officers of the government instead of the banks, under the provision of the deposit act of 1836. Thus far is certain. All agree that such is the fact; and such the effect of the passage of this bill as it stands. Now, he intended to show conclusively, that the difference between depositing the public money with the public officers, or with the banks themselves, was merely nominal, as far as the operation and profits of

the banks were concerned; that they would not make one cent less profit, or issue a single dollar less, if the deposits be kept by the officers of the government instead of themselves; and, of course, that the system would be equally subject to expansions and contractions, and equally exposed to catastrophes like the present, in the one, as the other, mode of keeping.

"But he had other and insuperable objections. In giving the bill originally his support, he was governed by a deep conviction that the total separation of the government and the banks was indispensable. He firmly believed that we had reached a point where the separation was absolutely necessary to save both government and banks. He was under a strong impression that the banking system had reached a point of decrepitude – that great and important changes were necessary to save it and prevent convulsions; and that the first step was a perpetual separation between them and the government. But there could be, in his opinion, no separation – no divorce – without collecting the public dues in the legal and constitutional currency of the country. Without that, all would prove a perfect delusion; as this bill would prove should it pass. We had no constitutional right to treat the notes of mere private corporations as cash; and if we did, nothing would be done.

"These views, and many others similar, he had openly expressed, in which the great body of the gentlemen around him had concurred. We stand openly pledged to them before the country and the world. We had fought the battle manfully and successfully. The cause was good, and having stood the first shock, nothing was necessary, but firmness; standing fast on our position to ensure victory – a great and glorious victory in a noble cause, which was calculated to effect a more important reformation in the condition of society than any in our time – he, for one, could not agree to terminate all those mighty efforts, at this and the extra session, by returning to a complete and perfect reunion with the banks in the worst and most dangerous form. He would not belie all that he had said and done, by voting for the bill as it now stood amended; and to terminate that which was so gloriously begun, in so miserable a farce. He could not but feel deeply disappointed in what he had reason to apprehend would be the result – to have all our efforts and labor thrown away, and the hopes of the country disappointed. All would be lost! No; he expressed himself too strongly. Be the vote what it may, the discussion would stand. Light had gone abroad. The public mind had been aroused, for the first time, and directed to this great subject. The intelligence of the country is every where busy in exploring its depths and intricacies, and would not cease to investigate till all its labyrinths were traced. The seed that has been sown will sprout and grow to maturity; the revolution that has been begun will go through, be our course what it may."

The vote was then taken on the passage of the bill, and it was carried – by the lean majority of two votes, which was only the difference of one voter. The affirmative vote was: Messrs. Allen, Benton, Brown, Clay of Alabama, Cuthbert, Fulton, Hubbard, King, Linn, Lumpkin, Lyon, Morris, Mouton, Niles, Norvell, Pierce, Roane, Robinson, Sevier, Smith of Connecticut, Strange, Trotter, Walker, Wall, Williams, Wright, Young – 27. The negatives were: Messrs. Bayard, Buchanan, Calhoun, Clay of Kentucky, Clayton, Crittenden, Davies, Grundy, Knight, McKean, Merrick, Nicholas, Prentiss, Preston, Rives, Robbins, Ruggles, Smith of Indiana, Southard, Spence, Swift, Talmadge, Tipton, Webster, Hugh L. White – 25.

The act having passed the Senate by this slender majority was sent to the House of Representatives; where it was lost by a majority of 14. This was a close vote in a house of 236 present; and the bill was only lost by several friends of the administration voting with the entire opposition.

But a great point was gained. Full discussion had been had upon the subject, and the public mind was waked up to it.

CHAPTER XXX.
PUBLIC LANDS: GRADUATION OF PRICE: PRE-EMPTION SYSTEM: TAXATION WHEN SOLD

For all the new States composed territory belonging, or chiefly so to the federal government, the Congress of the United States became the local legislature, that is to say, in the place of a local legislature in all the legislation that relates to the primary disposition of the soil. In the old States this legislation belonged to the State legislatures, and might have belonged to the new States in virtue of their State sovereignty except by the "*compacts*" with the federal government at the time of their admission into the Union, in which they bound themselves, in consideration of land and money grants deemed equivalent to the value of the surrendered rights, not to interfere with the primary disposition of the public lands, nor to tax them while remaining unsold, nor for five years thereafter. These grants, though accepted as equivalents in the infancy of the States, were soon found to be very far from it, even in a mere moneyed point of view, independent of the evils resulting from the administration of domestic local questions by a distant national legislature. The taxes alone for a few years on the public lands would have been equivalent to all the benefits derived from the grants in the compacts. Composed of citizens from the old States where a local legislature administered the public lands according to the local interests – selling lands of different qualities for different prices, according to its quality – granting pre-emptions and donations to first settlers – and subjecting all to taxation as soon as it became public property; it was a national feeling to desire the same advantages; and for this purpose, incessant, and usually vain efforts were made to obtain them from Congress. At this session (1837-'38) a better progress was made, and bills passed for all the purposes through the Senate.

1. The graduation bill. This measure had been proposed for twelve years, and the full system embraced a plan for the speedy and final extinction of the federal title to all the lands within the new States. Periodical reductions of price at the rate of 25 cents per acre until reduced to 25 cents: a preference in the purchase to actual settlers, constituting a pre-emption right: donations to destitute settlers: and the cession of the refuse to States in which they lay: – these were the provisions which constituted the system and which were all contained in the first bills. But finding it impossible to carry all the provisions of the system in any one bill, it became necessary to secure what could be obtained. The graduation-bill was reduced to one feature – reduction of price; and that limited to two reductions, bringing down the price at the first reduction to one dollar per acre: at the next 75 cents per acre. In support of this bill Mr. Benton made a brief speech, from which the following are some passages:

> "The bill comes to us now under more favorable auspices than it has ever done before. The President recommends it, and the Treasury needs the money which it will produce. A gentleman of the opposition [Mr. Clay], reproaches the President for inconsistency in making this recommendation; he says that he voted against it as senator heretofore, and recommends it as President now. But the gentleman forgets so tell us that Mr. Van Buren, when a member of the Senate, spoke in favor of the general object of the bill from the first day it was presented, and that he voted in favor of one degree of reduction – a reduction of the price of the public lands to one dollar per acre – the last session that he served here. Far from being inconsistent, the President, in this recommendation, has only carried out to their legitimate conclusions the principles which he formerly expressed, and the vote which he formerly gave.

"The bill, as modified on the motions of the senators from Tennessee and New Hampshire [Messrs. Grundy and Hubbard] stands shorn of half its original provisions. Originally it embraced four degrees of reduction, it now contains but two of those degrees. The two last – the fifty cent, and the twenty-five cent reductions, have been cut off. I made no objection to the motions of those gentlemen. I knew them to be made in a friendly spirit; I knew also that the success of their motions was necessary to the success of any part of the bill. Certainly I would have preferred the whole – would have preferred the four degrees of reduction. But this is a case in which the homely maxim applies, that half a loaf is better than no bread. By giving up half the bill, we may gain the other half; and sure I am that our constituents will vastly prefer half to nothing. The lands may now be reduced to one dollar for those which have been five years in market, and to seventy-five cents for those which have been ten years in market. The rest of the bill is relinquished for the present, not abandoned for ever. The remaining degrees of reduction will be brought forward hereafter, and with a better prospect of success, after the lands have been picked and culled over under the prices of the present bill. Even if the clauses had remained which have been struck out, on the motions of the gentlemen from Tennessee and New Hampshire, it would have been two years from December next, before any purchases could have been made under them. They were not to take effect until December, 1840. Before that time Congress will twice sit again; and if the present bill passes, and is found to work well, the enactment of the present rejected clauses will be a matter of course.

"This is a measure emphatically for the benefit of the agricultural interest – that great interest, which he declared to be the foundation of all national prosperity, and the backbone, and substratum of every other interest – which was, in the body politic, front rank for service, and rear rank for reward – which bore nearly all the burthens of government while carrying the government on its back – which was the fountain of good production, while it was the pack-horse of burthens, and the broad shoulders which received nearly all losses – especially from broken banks. This bill was for them; and, in voting for it, he had but one regret, and that was, that it did not go far enough – that it was not equal to their merits."

The bill passed by a good majority – 27 to 16; but failed to be acted upon in the House of Representatives, though favorably reported upon by its committee on the public lands.

2. The pre-emptive system. The provisions of the bill were simple, being merely to secure the privilege of first purchase to the settler on any lands to which the Indian title had been extinguished; to be paid for at the minimum price of the public lands at the time. A senator from Maryland, Mr. Merrick, moved to amend the bill by confining its benefits to citizens of the United States – excluding unnaturalized foreigners. Mr. Benton opposed this motion, in a brief speech.

"He was entirely opposed to the amendment of the senator from Maryland (Mr. Merrick). It proposed something new in our legislation. It proposed to make a distinction between aliens and citizens in the acquisition of property. Pre-emption rights had been granted since the formation of the government; and no distinction, until now, had been proposed, between the persons, or classes of persons, to whom they were granted. No law had yet excluded aliens from the acquisition of a pre-emption right, and he was entirely opposed to commencing a system of legislation which was to affect the property rights of the aliens who came to our country to make it their home. Political rights rested on a different basis. They involved the management of the government, and it was right that foreigners should undergo the process of naturalization before they acquired the right of sharing in the government. But the acquisition of property was another affair. It was a private and personal affair. It involved no question but that of the subsistence, the support, and the comfortable living of

the alien and his family. Mr. B. would be against the principle of the proposed amendment in any case, but he was particularly opposed to this case. Who were the aliens whom it proposed to affect? Not those who are described as paupers and criminals, infesting the purlieus of the cities, but those who had gone to the remote new States, and to the remote parts of those States, and into the depths of the wilderness, and there commenced the cultivation of the earth. These were the description of aliens to be affected; and if the amendment was adopted, they would be excluded from a pre-emption right in the soil they were cultivating, and made to wait until they were naturalized. The senator from Maryland (Mr. Merrick), treats this as a case of bounty. He treats the pre-emption right as a bounty from the government, and says that aliens have no right to this bounty. But, is this correct? Is the pre-emption a bounty? Far from it. In point of money, the pre-emptioner pays about as much as any other purchaser. He pays the government price, one dollar and twenty-five cents; and the table of land sales proves that nobody pays any more, or so little more that it is nothing in a national point of view. One dollar twenty-seven and a half cents per acre is the average of all the sales for fifteen years. The twenty millions of acres sold to speculators in the year 1836, all went at one dollar and twenty-five cents per acre. The pre-emption then is not a bounty, but a sale, and a sale for full price, and, what is more, for solid money; for pre-emptioners pay with gold and silver, and not with bank credits. Numerous were the emigrants from Germany, France, Ireland, and other countries, now in the West, and especially in Missouri, and he (Mr. B.) had no idea of imposing any legal disability upon them in the acquisition of property. He wished them all well. If any of them had settled upon the public lands, so much the better. It was an evidence of their intention to become citizens, and their labor upon the soil would add to its product and to the national wealth."

The motion of Mr. Merrick was rejected by a majority of 13. The yeas were: Messrs. Bayard, Clay of Kentucky, Clayton, Crittenden, Davis, Knight, Merrick, Prentiss, Preston, Rives, Robbins, Smith, of Indiana, Southard, Spence, Tallmadge, Tipton, 15. The nays were: Messrs. Allen, Benton, Brown, Buchanan, Calhoun, Clay, of Alabama, Cuthbert, Fulton, Grundy, Hubbard, King, Linn, Lumpkin, Lyon, Mouton, Nicholas, Niles, Nowell, Pierce, Roane, Robinson, Sevier, Walker, Webster, White, Williams, Wright, Young, of Illinois, (28.) The bill being then put to the vote, was passed by a majority of 14.

3. Taxation of public lands when sold. When the United States first instituted their land system, the sales were upon credit, at a minimum price of two dollars, payable in four equal annual payments, with a liability to revert if there should be any failure in the payments. During that time it was considered as public land, nor was the title passed until the patent issued – which might be a year longer. Five years, therefore, was the period fixed, during which the land so sold should be exempt from taxation by the State in which it lay. This continued to be the mode of sale, until the year 1821, when the credit was changed for the cash system, and the minimum price reduced to one dollar twenty-five cents per acre. The reason for the five years exemption from state taxation had then ceased, but the compacts remaining unaltered, the exemption continued. Repeated applications were made to Congress to consent to the modification of the compacts in that article; but always in vain. At this session the application was renewed on the part of the new States; and with success in the Senate, where the bill for that purpose passed nearly unanimously, the negatives being but four, to wit: Messrs. Brown, Clay of Kentucky, Clayton, Southard. Being sent to the H. R. it remained there without action till the end of the session.

CHAPTER XXXI.
SPECIE BASIS FOR BANKS: ONE THIRD OF THE AMOUNT OF LIABILITIES THE LOWEST SAFE PROPORTION: SPEECH OF MR. BENTON ON THE RECHARTER OF THE DISTRICT BANKS

This is a point of great moment – one on which the public mind has not been sufficiently awakened in this country, though well understood and duly valued in England. The charters of banks in the United States are usually drawn on this principle, that a certain proportion of the capital, and sometimes the whole of it, shall be paid up in gold or silver before the charter shall take effect. This is the usual provision, without any obligation on the bank to retain any part of this specie after it gets into operation; and this provision has too often proved to be illusory and deceptive. In many cases, the banks have borrowed the requisite amount for a day, and then returned it; in many other cases, the proportion of specie, though paid up in good faith, is immediately lent out, or parted with. The result to the public is about the same in both cases; the bank has little or no specie, and its place is supplied by the notes of other banks. The great vice of the banking system in the United States is in banking upon paper – upon the paper of each other – and treating this paper as cash. This may be safe among the banks themselves; it may enable them to settle with one another, and to liquidate reciprocal balances; but to the public it is nothing. In the event of a run upon a bank, or a general run upon all banks, it is specie, and not paper, that is wanted. It is specie, and not paper, which the public want, and must have.

The motion of the senator from Pennsylvania [Mr. Buchanan] is intended to remedy this vice in these District banks; it is intended to impose an obligation on these banks to keep in their vaults a quantum of specie bearing a certain proportion to the amount of their immediate liabilities in circulation and deposits. The gentleman's motion is well intended, but it is defective in two particulars: first, in requiring the proportion to be the one-fourth, instead of the one-third, and next, in making it apply to the private deposits only. The true proportion is one-third, and this to apply to all the circulation and deposits, except those which are special. This proportion has been fixed for a hundred years at the Bank of England; and just so often as that bank has fallen below this proportion, mischief has occurred. This is the sworn opinion of the present Governor of the Bank of England, and of the directors of that institution. Before Lord Althorpe's committee in 1832, Mr. Horsley Palmer, the Governor of the Bank, testified in these words:

> "'The average proportion, as already observed, of coin and bullion which the bank thinks it prudent to keep on hand, is at the rate of a third of the total amount of all her liabilities, including deposits as well as issues.' Mr. George Ward Norman, a director of the bank, states the same thing in a different form of words. He says: 'For a full state of the circulation and the deposits, say twenty-one millions of notes and six millions of deposits, making in the whole twenty-seven millions of liabilities, the proper sum in coin and bullion for the bank to retain is nine millions.' Thus, the average proportion of one-third between the specie on hand and the circulation and deposits, must be considered as an established principle at that bank, which is quite the largest, and amongst the oldest – probably, the very oldest bank of circulation in the world."

The Bank of England is not merely required to keep on hand, in bullion, the one-third of its immediate liabilities; it is bound also to let the country see that it has, or has not, that proportion on

hand. By an act of the third year of William IV., it is required to make quarterly publications of the average of the weekly liabilities of the bank, that the public may see whenever it descends below the point of safety. Here is the last of these publications, which is a full exemplification of the rule and the policy which now governs that bank:

Quarterly average of the weekly liabilities and assets of the Bank of England, from the 12th December, 1837, to the 6th of March, 1838, both inclusive, published pursuant to the act 3 and William IV., cap. 98:

Liabilities.		Assets.	
Circulation,	£18,600,000	Securities,	£22,792,900
Deposits,	11,535,000	Bullion,	10,015,000
	£30,135,000		£30,807,000
London, March 12.			

According to this statement, the Bank of England is now safe; and, accordingly, we see that she is acting upon the principle of having bullion enough, for she is shipping gold to the United States.

The proportion in England is one-third. The bank relies upon its debts and other resources for the other two-thirds, in the event of a run upon it. This is the rule in that bank which has more resources than any other bank in the world; which is situated in the moneyed metropolis of the world – the richest merchants its debtors, friends and customers – and the Government of England its debtor and backer, and always ready to sustain it with exchequer bills, and with every exertion of its credit and means. Such a bank, so situated and so aided, still deems it necessary to its safety to keep in hand always the one-third in bullion of the amount of its immediate liabilities. Now, if the proportion of one-third is necessary to the safety of such a bank, with such resources, how is it possible for our banks, with their meagre resources and small array of friends, to be safe with a less proportion?

This is the rule at the Bank of England, and just as often as it has been departed from, the danger of that departure has been proved. It was departed from in 1797, when the proportion sunk to the one-seventh; and what was the result? The stoppage of the banks, and of all the banks in England, and a suspension of specie payments for six-and-twenty years! It was departed from again about a year ago, when the proportion sunk to one-eighth nearly; and what was the result? A death struggle between the paper systems of England and the United States, in which our system was sacrificed to save hers. Her system was saved from explosion! but at what cost? – at what cost to us, and to herself? – to us a general stoppage of all the banks for twelve months; to the English, a general stagnation of business, decline of manufactures, and of commerce, much individual distress, and a loss of two millions sterling of revenue to the Crown. The proportion of one-third may then be assumed as the point of safety in the Bank of England; less than that proportion cannot be safe in the United States. Yet the senator from Pennsylvania proposes less – he proposes the one-fourth; and proposes it, not because he feels it to be the right proportion, but from some feeling of indulgence or forbearance to this poor District. Now, I think that this is a case in which kind feelings can have no place, and that the point in question is one upon which there can be no compromise. A bank is a bank, whether made in a district or a State; and a bank ought to be safe, whether the stockholders be rich or poor. Safety is the point aimed at, and nothing unsafe should be tolerated. There should be no giving and taking below the point of safety. Experienced men fix upon the one-third as the safe proportion; we should not, therefore, take a less proportion. Would the gentleman ask to let the water in the boiler of a steamboat sink one inch lower, when the experienced captain informed him that it had already sunk as low as it was safe to go? Certainly not. So of these banks. One-third is the point of safety; let us not tamper with danger by descending to the one-fourth.

When a bank stops payment, the first thing we see is an exposition of its means, and a declaration of ultimate ability to pay all its debts. This is nothing to the holders of its notes. Immediate ability is the only ability that is of any avail to them. The fright of some, and the necessity of others,

compel them to part with their notes. Cool, sagacious capitalists can look to ultimate ability, and buy up the notes from the necessitous and the alarmed. To them ultimate ability is sufficient; to the community it is nothing. It is, therefore, for the benefit of the community that the banks should be required to keep always on hand the one-third of their circulation and deposits; they are then trusted for two-thirds, and this is carrying credit far enough. If pressed by a run, it is as much as a bank can do to make up the other two-thirds out of the debts due to her. Three to one is credit enough, and it is profit enough. If a bank draws interest upon three dollars when it has but one, this is eighteen per cent., and ought to content her. A citizen cannot lend his money for more than six per cent., and cannot the banks be contented with eighteen? Must they insist upon issuing four dollars, or even five, upon one, so as to draw twenty-four or thirty per cent.; and thus, after paying their officers vast salaries, and accommodating friends with loans on easy terms, still make enough out of the business community to cover all expenses and all losses: and then to divide larger profits than can be made at any other business?

The issuing of currency is the prerogative of sovereignty. The real sovereign in this country – the government – can only issue a currency of the actual dollar: can only issue gold and silver – and each piece worth its face. The banks which have the privilege of issuing currency issue paper; and not content with two more dollars out for one that is, they go to five, ten, twenty – failing of course on the first run; and the loss falling upon the holders of its notes – and especially the holders of the small notes.

We now touch a point, said Mr. B., vital to the safety of banking, and I hope it will neither be passed over without decision, nor decided in an erroneous manner. We had up the same question two years ago, in the discussion of the bill to regulate the keeping of the public moneys by the local deposit banks. A senator from Massachusetts (Mr. Webster) moved the question; he (Mr. B.) cordially concurred in it; and the proportion of *one-fourth* was then inserted. He (Mr. B.) had not seen at that time the testimony of the governor and directors of the Bank of England, fixing on the *one-third* as the proper proportion, and he presumed that the senator from Massachusetts (Mr. W.) had not then seen it, as on another occasion he quoted it with approbation, and stated it to be the proportion observed at the Bank of the United States. The proportion of one-fourth was then inserted in the deposit bill; it was an erroneous proportion, but even that proportion was not allowed to stand. After having been inserted in the bill, it was struck out; and it was left to the discretion of the Secretary of the Treasury to fix the proportion. To this I then objected, and gave my reasons for it. I was for fixing the proportion, because I held it vital to the safety of the deposit banks; I was against leaving it to the secretary, because it was a case in which the inflexible rule of law, and not the variable dictate of individual discretion should be exercised; and because I was certain that no secretary could be relied upon to compel the banks to *toe the mark*, when Congress itself had flinched from the task of making them do it. My objections were unavailing. The proportion was struck out of the bill; the discretion of the secretary to fix it was substituted; and that discretion it was impossible to exercise with any effect over the banks. They were, that is to say, many of them were, far beyond the mark then; and at the time of the issuing of the Treasury order in July, 1836, there were deposit banks, whose proportion of specie in hand to their immediate liabilities was as one to twenty, one to thirty, one to forty, and even one to fifty! The explosion of all such banks was inevitable. The issuing of the Treasury order improved them a little: they began to increase their specie, and to diminish their liabilities; but the gap was too wide – the chasm was too vast to be filled: and at the touch of pressure, all these banks fell like nine-pins! They tumbled down in a heap, and lay there, without the power of motion, or scarcely of breathing. Such was the consequence of our error in omitting to fix the proper proportion of specie in hand to the liabilities of our deposit banks: let us avoid that error in the bill now before us.

CHAPTER XXXII.
THE NORTH AND THE SOUTH: COMPARATIVE PROSPERITY: SOUTHERN DISCONTENT: ITS TRUE CAUSE

To show the working of the federal government is the design of this View – show how things are done under it and their effects; that the good may be approved and pursued, the evil condemned and avoided, and the machine of government be made to work equally for the benefit of the whole Union, according to the wise and beneficent intent of its founders. It thus becomes necessary to show its working in the two great Atlantic sections, originally sole parties to the Union – the North and the South – complained of for many years on one part as unequal and oppressive, and made so by a course of federal legislation at variance with the objects of the confederation and contrary to the intent or the words of the constitution.

The writer of this View sympathized with that complaint; believed it to be, to much extent, well founded; saw with concern the corroding effect it had on the feelings of patriotic men of the South; and often had to lament that a sense of duty to his own constituents required him to give votes which his judgment disapproved and his feelings condemned. This complaint existed when he came into the Senate; it had, in fact, commenced in the first years of the federal government, at the time of the assumption of the State debts, the incorporation of the first national bank, and the adoption of the funding system; all of which drew capital from the South to the North. It continued to increase; and, at the period to which this chapter relates, it had reached the stage of an organized sectional expression in a voluntary convention of the Southern States. It had often been expressed in Congress, and in the State legislatures, and habitually in the discussions of the people; but now it took the more serious form of joint action, and exhibited the spectacle of a part of the States assembling sectionally to complain formally of the unequal, and to them, injurious operation of the common government, established by common consent for the common good, and now frustrating its object by departing from the purposes of its creation. The convention was called commercial, and properly, as the grievance complained of was in its root commercial, and a commercial remedy was proposed.

It met at Augusta, Georgia, and afterwards at Charleston, South Carolina; and the evil complained of and the remedy proposed were strongly set forth in the proceedings of the body, and in addresses to the people of the Southern and Southwestern States. The changed relative condition of the two sections of the country, before and since the Union, was shown in their general relative depression or prosperity since that event, and especially in the reversed condition of their respective foreign import trade. In the colonial condition the comparison was wholly in favor of the South; under the Union wholly against it. Thus, in the year 1760 – only sixteen years before the Declaration of Independence – the foreign imports into Virginia were £850,000 sterling, and into South Carolina £555,000; while into New York they were only £189,000, into Pennsylvania £490,000; and into all the New England Colonies collectively only £561,000.

These figures exhibit an immense superiority of commercial prosperity on the side of the South in its colonial state, sadly contrasting with another set of figures exhibited by the convention to show its relative condition within a few years after the Union. Thus, in the year 1821, the imports into New York had risen to $23,000,000 – being about seventy times its colonial import at about an equal period before the adoption of the constitution; and those of South Carolina stood at $3,000,000 – which, for all practical purposes, may be considered the same that they were in 1760.

Such was the difference – the reversed conditions – of the two sections, worked between them in the brief space of two generations – within the actual lifetime of some who had seen their colonial

conditions. The proceedings of the convention did not stop there, but brought down the comparison (under this commercial aspect) to near the period of its own sitting – to the actual period of the highest manifestation of Southern discontent, in 1832 – when it produced the enactment of the South Carolina nullifying ordinance. At that time all the disproportions between the foreign commerce of the two sections had inordinately increased. The New York imports (since 1821) had more than doubled; the Virginia had fallen off one-half; South Carolina two-thirds. The actual figures stood: New York fifty-seven millions of dollars, Virginia half a million, South Carolina one million and a quarter.

This was a disheartening view, and rendered more grievous by the certainty of its continuation, the prospect of its aggravation, and the conviction that the South (in its great staples) furnished the basis for these imports; of which it received so small a share. To this loss of its import trade, and its transfer to the North, the convention attributed, as a primary cause, the reversed conditions of the two sections – the great advance of one in wealth and improvements – the slow progress and even comparative decline of the other; and, with some allowance for the operation of natural or inherent causes, referred the effect to a course of federal legislation unwarranted by the grants of the constitution and the objects of the Union, which subtracted capital from one section and accumulated it in the other: – protective tariff, internal improvements, pensions, national debt, two national banks, the funding system and the paper system; the multiplication of offices, profuse and extravagant expenditure, the conversion of a limited into an almost unlimited government; and the substitution of power and splendor for what was intended to be a simple and economical administration of that part of their affairs which required a general head.

These were the points of complaint – abuses – which had led to the collection of an enormous revenue, chiefly levied on the products of one section of the Union and mainly disbursed in another. So far as northern advantages were the result of fair legislation for the accomplishment of the objects of the Union, all discontent or complaint was disclaimed. All knew that the superior advantages of the North for navigation would give it the advantage in foreign commerce; but it was not expected that these facilities would operate a monopoly on one side and an extinction on the other; nor was that consequence allowed to be the effect of these advantages alone, but was charged to a course of legislation not warranted by the objects of the Union, or the terms of the constitution, which created it. To this course of legislation was attributed the accumulation of capital in the North, which had enabled that section to monopolize the foreign commerce which was founded upon southern exports; to cover one part with wealth while the other was impoverished; and to make the South tributary to the North, and suppliant to it for a small part of the fruits of their own labor.

Unhappily there was some foundation for this view of the case; and in this lies the root of the discontent of the South and its dissatisfaction with the Union, although it may break out upon another point. It is in this belief of an incompatibility of interest, from the perverted working of the federal government, that lies the root of southern discontent, and which constitutes the danger to the Union, and which statesmen should confront and grapple with; and not in any danger to slave property, which has continued to aggrandize in value during the whole period of the cry of danger, and is now of greater price than ever was known before; and such as our ancestors would have deemed fabulous. The sagacious Mr. Madison knew this – knew where the danger to the Union lay, when, in the 86th year of his age, and the last of his life, and under the anguish of painful misgivings, he wrote (what is more fully set out in the previous volume of this work) these portentous words:

> "The visible susceptibility to the contagion of nullification in the Southern States, the sympathy arising from known causes, and the inculcated impression of a permanent incompatibility of interest between the North and the South, may put it in the power of popular leaders, aspiring to the highest stations, to unite the South, on some critical occasion, in some course of action of which nullification may be the first step, secession the second, and a farewell separation the last."

So viewed the evil, and in his last days, the great surviving founder of the Union – seeing, as he did, in this inculcated impression of a permanent incompatibility of interest between the two sections, the fulcrum or point of support, on which disunion could rest its lever, and parricidal hands build its schemes. What has been published in the South and adverted to in this View goes to show that an incompatibility of interest between the two sections, though not inherent, has been produced by the working of the government – not its fair and legitimate, but its perverted and unequal working.

This is the evil which statesmen should see and provide against. Separation is no remedy; exclusion of Northern vessels from Southern ports is no remedy; but is disunion itself – and upon the very point which caused the Union to be formed. Regulation of commerce between the States, and with foreign nations, was the cause of the formation of the Union. Break that regulation, and the Union is broken; and the broken parts converted into antagonist nations, with causes enough of dissension to engender perpetual wars, and inflame incessant animosities. The remedy lies in the right working of the constitution; in the cessation of unequal legislation in the reduction of the inordinate expenses of the government; in its return to the simple, limited, and economical machine it was intended to be; and in the revival of fraternal feelings, and respect for each other's rights and just complaints; which would return of themselves when the real cause of discontent was removed.

The conventions of Augusta and Charleston proposed their remedy for the Southern depression, and the comparative decay of which they complained. It was a fair and patriotic remedy – that of becoming their own exporters, and opening a direct trade in their own staples between Southern and foreign ports. It was recommended – attempted – failed. Superior advantages for navigation in the North – greater aptitude of its people for commerce – established course of business – accumulated capital – continued unequal legislation in Congress; and increasing expenditures of the government, chiefly disbursed in the North, and defect of seamen in the South (for mariners cannot be made of slaves), all combined to retain the foreign trade in the channel which had absorbed it; and to increase it there with the increasing wealth and population of the country, and the still faster increasing extravagance and profusion of the government. And now, at this period (1855), the foreign imports at New York are $195,000,000; at Boston $58,000,000; in Virginia $1,250,000; in South Carolina $1,750,000.

This is what the dry and naked figures show. To the memory and imagination it is worse; for it is a tradition of the Colonies that the South had been the seat of wealth and happiness, of power and opulence; that a rich population covered the land, dispensing a baronial hospitality, and diffusing the felicity which themselves enjoyed; that all was life, and joy, and affluence then. And this tradition was not without similitude to the reality, as this writer can testify; for he was old enough to have seen (after the Revolution) the still surviving state of Southern colonial manners, when no traveller was allowed to go to a tavern, but was handed over from family to family through entire States; when holidays were days of festivity and expectation, long prepared for, and celebrated by master and slave with music and feasting, and great concourse of friends and relatives; when gold was kept in desks or chests (after the downfall of continental paper) and weighed in scales, and lent to neighbors for short terms without note, interest, witness, or security; and on bond and land security for long years and lawful usance: and when petty litigation was at so low an ebb that it required a fine of forty pounds of tobacco to make a man serve as constable.

The reverse of all this was now seen and felt, – not to the whole extent which fancy or policy painted – but to extent enough to constitute a reverse, and to make a contrast, and to excite the regrets which the memory of past joys never fails to awaken. A real change had come, and this change, the effect of many causes, was wholly attributed to one – the unequal working of the Federal Government – which gave all the benefits of the Union to the North, and all its burdens to the South. And that was the point on which Southern discontent broke out – on which it openly rested until 1835; when it was shifted to the danger of slave property.

Separation is no remedy for these evils, but the parent of far greater than either just discontent or restless ambition would fly from. To the South the Union is a political blessing; to the North it is both a political and a pecuniary blessing; to both it should be a social blessing. Both sections should cherish it, and the North most. The story of the boy that killed the goose that laid the golden egg every day, that he might get all the eggs at once, was a fable; but the Northern man who could promote separation by any course of wrong to the South would convert that fable into history – his own history – and commit a folly, in a mere profit and loss point of view, of which there is no precedent except in fable.

CHAPTER XXXIII.
PROGRESS OF THE SLAVERY AGITATION: MR. CALHOUN'S APPROVAL OF THE MISSOURI COMPROMISE

This portentous agitation, destined to act so seriously on the harmony, and possibly on the stability of the Union, requires to be noted in its different stages, that responsibility may follow culpability, and the judgment of history fall where it is due, if a deplorable calamity is made to come out of it. In this point of view the movements for and against slavery in the session of 1837-'38 deserve to be noted, as of disturbing effect at the time; and as having acquired new importance from subsequent events. Early in the session a memorial was presented in the Senate from the General Assembly of Vermont, remonstrating against the annexation of Texas to the United States, and praying for the abolition of slavery in the District of Columbia – followed by many petitions from citizens and societies in the Northern States to the same effect; and, further, for the abolition of slavery in the Territories – for the abolition of the slave trade between the States – and for the exclusion of future slave States from the Union.

There was but little in the state of the country at that time to excite an anti-slavery feeling, or to excuse these disturbing applications to Congress. There was no slave territory at that time but that of Florida; and to ask to abolish slavery there, where it had existed from the discovery of the continent, or to make its continuance a cause for the rejection of the State when ready for admission into the Union, and thus form a free State in the rear of all the great slave States, was equivalent to praying for a dissolution of the Union. Texas, if annexed, would be south of 36° 30', and its character, in relation to slavery, would be fixed by the Missouri compromise line of 1820. The slave trade between the States was an affair of the States, with which Congress had nothing to do; and the continuance of slavery in the District of Columbia, so long as it existed in the adjacent States of Virginia and Maryland, was a point of policy in which every Congress, and every administration, had concurred from the formation of the Union; and in which there was never a more decided concurrence than at present.

The petitioners did not live in any Territory, State, or district subject to slavery. They felt none of the evils of which they complained – were answerable for none of the supposed sin which they denounced – were living under a general government which acknowledged property in slaves – and had no right to disturb the rights of the owner: and they committed a cruelty upon the slave by the additional rigors which their pernicious interference brought upon him.

The subject of the petitions was disagreeable in itself; the language in which they were couched was offensive; and the wantonness of their presentation aggravated a proceeding sufficiently provoking in the civilest form in which it could be conducted. Many petitions were in the same words, bearing internal evidence of concert among their signers; many were signed by women, whose proper sphere was far from the field of legislation; all united in a common purpose, which bespoke community of origin, and the superintendence of a general direction. Every presentation gave rise to a question and debate, in which sentiments and feelings were expressed and consequences predicted, which it was painful to hear. While almost every senator condemned these petitions, and the spirit in which they originated, and the language in which they were couched, and considered them as tending to no practical object, and only calculated to make dissension and irritation, there were others who took them in a graver sense, and considered them as leading to the inevitable separation of the States. In this sense Mr. Calhoun said:

> "He had foreseen what this subject would come to. He knew its origin, and that it lay deeper than was supposed. It grew out of a spirit of fanaticism which was

> daily increasing, and, if not met *in limine*, would by and by dissolve this Union. It was particularly our duty to keep the matter out of the Senate – out of the halls of the National Legislature. These fanatics were interfering with what they had no right. Grant the reception of these petitions, and you will next be asked to act on them. He was for no conciliatory course, no temporizing; instead of yielding one inch, he would rise in opposition; and he hoped every man from the South would stand by him to put down this growing evil. There was but one question that would ever destroy this Union, and that was involved in this principle. Yes; this was potent enough for it, and must be early arrested if the Union was to be preserved. A man must see little into what is going on if he did not perceive that this spirit was growing, and that the rising generation was becoming more strongly imbued with it. It was not to be stopped by reports on paper, but by action, and very decided action."

The question which occupied the Senate was as to the most judicious mode of treating these memorials, with a view to prevent their evil effects: and that was entirely a question of policy, on which senators disagreed who concurred in the main object. Some deemed it most advisable to receive and consider the petitions – to refer them to a committee – and subject them to the adverse report which they would be sure to receive; as had been done with the Quakers' petitions at the beginning of the government. Others deemed it preferable to refuse to receive them. The objection urged to this latter course was, that it would mix up a new question with the slavery agitation which would enlist the sympathies of many who did not co-operate with the Abolitionists – the question of the right of petition; and that this new question, mixing with the other, might swell the number of petitioners, keep up the applications to Congress, and perpetuate an agitation which would otherwise soon die out. Mr. Clay, and many others were of this opinion; Mr. Calhoun and his friends thought otherwise; and the result was, so far as it concerned the petitions of individuals and societies, what it had previously been – a half-way measure between reception and rejection – a motion to lay the question of reception on the table. This motion, precluding all discussion, got rid of the petitions quietly, and kept debate out of the Senate. In the case of the memorial from the State of Vermont, the proceeding was slightly different in form, but the same in substance. As the act of a State, the memorial was received; but after reception was laid on the table. Thus all the memorials and petitions were disposed of by the Senate in a way to accomplish the two-fold object, first, of avoiding discussion; and, next, condemning the object of the petitioners. It was accomplishing all that the South asked; and if the subject had rested at that point, there would have been nothing in the history of this session, on the slavery agitation, to distinguish it from other sessions about that period: but the subject was revived; and in a way to force discussion, and to constitute a point for the retrospect of history.

Every memorial and petition had been disposed of according to the wishes of the senators from the slaveholding States; but Mr. Calhoun deemed it due to those States to go further, and to obtain from the Senate declarations which should cover all the questions of federal power over the institution of slavery: although he had just said that paper reports would do no good. For that purpose, he submitted a series of resolves – six in number – which derive their importance from their comparison, or rather contrast, with others on the same subject presented by him in the Senate ten years later; and which have given birth to doctrines and proceedings which have greatly disturbed the harmony of the Union, and palpably endangered its stability. The six resolutions of this period ('37-'38) undertook to define the whole extent of the power delegated by the States to the federal government on the subject of slavery; to specify the acts which would exceed that power; and to show the consequences of doing any thing not authorized to be done – always ending in a dissolution of the Union. The first four of these related to the States; about which, there being no dispute, there was no debate. The sixth, without naming Texas, was prospective, and looked forward to a case which might include her annexation; and was laid upon the table to make way for an express resolution from Mr. Preston on

the same subject. The fifth related to the territories, and to the District of Columbia, and was the only one which excited attention, or has left a surviving interest. It was in these words:

> "*Resolved*, That the intermeddling of any State, or States, or their citizens, to abolish slavery in this District, or any of the territories, on the ground or under the pretext that it is immoral or sinful, or the passage of any act or measure of Congress with that view, would be a direct and dangerous attack on the institutions of all the slaveholding States."

The dogma of "no power in Congress to legislate upon the existence of slavery in territories" had not been invented at that time; and, of course, was not asserted in this resolve, intended by its author to define the extent of the federal legislative power on the subject. The resolve went upon the existence of the power, and deprecated its abuse. It put the District of Columbia and the territories into the same category, both for the exercise of the power and the consequences to result from the intermeddling of States or citizens, or the passage of any act of Congress to abolish slavery in either; and this was admitting the power in the territory, as in the District; where it is an express grant in the grant of all legislative power. The intermeddling and the legislation were deprecated in both solely on the ground of inexpediency. Mr. Clay believed this inexpediency to rest upon different grounds in the District and in the territory of Florida – the only territory in which slavery then existed, and to which Mr. Calhoun's resolution could apply. He was as much opposed as any one to the abolition of slavery in either of these places, but believed that a different reason should be given for each, founded in their respective circumstances; and, therefore, submitted an amendment, consisting of two resolutions – one applicable to the District, the other to the territory. In stating the reasons why slavery should not be abolished in Florida, he quoted the Missouri compromise line of 1820. This was objected to by other senators, on the ground that that line did not apply to Florida, and that her case was complete without it. Of that opinion was the Senate, and the clause was struck out. This gave Mr. Calhoun occasion to speak of that compromise, and of his own course in relation to it; in the course of which he declared himself to have been favorable to that memorable measure at the time it was adopted, but opposed to it now, from having experienced its ill effect in encouraging the spirit of abolitionism:

> "He was glad that the portion of the amendment which referred to the Missouri compromise had been struck out. He was not a member of Congress when that compromise was made, but it is due to candor to state that his impressions were in its favor; but it is equally due to it to say that, with his present experience and knowledge of the spirit which then, for the first time, began to disclose itself, he had entirely changed his opinion. He now believed that it was a dangerous measure, and that it has done much to rouse into action the present spirit. Had it then been met with uncompromising opposition, such as a then distinguished and sagacious member from Virginia [Mr. Randolph], now no more, opposed to it, abolition might have been crushed for ever in its birth. He then thought of Mr. Randolph as, he doubts not, many think of him now who have not fully looked into this subject, that he was too unyielding – too uncompromising – too impracticable; but he had been taught his error, and took pleasure in acknowledging it."

This declaration is explicit. It is made in a spirit of candor, and as due to justice. It is a declaration spontaneously made, not an admission obtained on interrogatories. It shows that Mr. Calhoun was in favor of the compromise at the time it was adopted, and had since changed his opinions – "entirely changed" them, to use his own words – not on constitutional, but expedient grounds. He had changed upon experience, and upon seeing the dangerous effects of the measure. He had been taught his error, and took pleasure in acknowledging it. He blamed Mr. Randolph then for having been too uncompromising; but now thought him sagacious; and believed that if the measure had met with uncompromising opposition at the time, it would have crushed for ever the spirit of

abolitionism. All these are reasons of expediency, derived from after-experience, and excludes the idea of any constitutional objection. The establishment of the Missouri compromise line was the highest possible exercise of legislative authority over the subject of slavery in a territory. It abolished it where it legally existed. It for ever forbid it where it had legally existed for one hundred years. Mr. Randolph was the great opponent of the compromise. He gave its friends all their trouble. It was then he applied the phrase, so annoying and destructive to its northern supporters – "dough face," – a phrase which did them more harm than the best-reasoned speech. All the friends of the compromise blamed his impracticable opposition; and Mr. Calhoun, in joining in that blame, placed himself in the ranks of the cordial friends of the measure. This abolition and prohibition extended over an area large enough to make a dozen States; and of all this Mr. Calhoun had been in favor; and now had nothing but reasons of expediency, and they *ex post facto*, against it. His expressed belief now was, that the measure was dangerous – he does not say unconstitutional, but dangerous – and this corresponds with the terms of his resolution then submitted; which makes the intermeddling to abolish slavery in the District or territories, or any act or measure of Congress to that effect, a "dangerous" attack on the institutions of the slaveholding States. Certainly the idea of the unconstitutionality of such legislation had not then entered his head. The substitute resolve of Mr. Clay differed from that of Mr. Calhoun, in changing the word "intermeddling" to that of "interference;" and confining that word to the conduct of citizens, and making the abolition or attempted abolition of slavery in the District an injury to its own inhabitants as well as to the States; and placing its protection under the faith implied in accepting its cession from Maryland and Virginia. It was in these words:

> "That the interference by the citizens of any of the States, with the view to the abolition of slavery in this District, is endangering the rights and security of the people of the District; and that any act or measure of Congress, designed to abolish slavery in this District, would be a violation of the faith implied in the cessions by the States of Virginia and Maryland – a just cause of alarm to the people of the slaveholding States – and have a direct and inevitable tendency to disturb and endanger the Union."

The vote on the final adoption of the resolution was:

"Yeas – Messrs. Allen, Bayard, Benton, Black, Brown, Buchanan, Calhoun, Clay, of Alabama, Clay, of Kentucky, Thomas Clayton, Crittenden, Cuthbert, Fulton, Grundy, Hubbard, King, Lumpkin, Lyon, Nicholas, Niles, Norvell, Franklin Pierce, Preston, Rives, Roane, Robinson, Sevier, Smith, of Connecticut, Strange, Tallmadge, Tipton, Walker, White, Williams, Wright, Young.

"Nays – Messrs. Davis, Knight, McKean, Morris, Prentiss, Smith, of Indiana, Swift, Webster."

The second resolution of Mr. Clay applied to slavery in a territory where it existed, and deprecated any attempt to abolish it in such territory, as alarming to the slave States, and as violation of faith towards its inhabitants, unless they asked it; and in derogation of its right to decide the question of slavery for itself when erected into a State. This resolution was intended to cover the case of Florida, and ran thus:

> "*Resolved*, That any attempt of Congress to abolish slavery in any territory of the United States in which it exists would create serious alarm and just apprehension in the States sustaining that domestic institution, and would be a violation of good faith towards the inhabitants of any such territory who have been permitted to settle with, and hold, slaves therein; because the people of any such territory have not asked for the abolition of slavery therein; and because, when any such territory shall be admitted into the Union as a State, the people thereof shall be entitled to decide that question exclusively for themselves."

And the vote upon it was —

"Yeas – Messrs. Allen, Bayard, Benton, Black, Brown, Buchanan, Calhoun, Clay, of Alabama, Clay, of Kentucky, Crittenden, Cuthbert, Fulton, Grundy, Hubbard, King, Lumpkin, Lyon, Merrick, Nicholas, Niles, Norvell, Franklin Pierce, Preston, Rives, Roane, Robinson, Sevier, Smith, of Connecticut, Strange, Tipton, Walker, White, Williams, Wright, and Young.

"Nays – Messrs. Thomas Clayton, Davis, Knight, McKean, Prentiss, Robbins, Smith, of Indiana, Swift, and Webster."

The few senators who voted against both resolutions chiefly did so for reasons wholly unconnected with their merits; some because opposed to any declarations on the subject, as abstract and inoperative; others because they dissented from the reasons expressed, and preferred others: and the senators from Delaware (a slave State) because they had a nullification odor about them, as first introduced. Mr. Calhoun voted for both, not in preference to his own, but as agreeing to them after they had been preferred by the Senate; and so gave his recorded assent to the doctrines they contained. Both admit the constitutional power of Congress over the existence of slavery both in the district and the territories, but deprecate its abolition where it existed for reasons of high expediency: and in this view it is believed nearly the entire Senate concurred; and quite the entire Senate on the constitutional point – there being no reference to that point in any part of the debates. Mr. Webster probably spoke the sentiments of most of those voting with him, as well as his own, when he said:

> "If the resolutions set forth that all domestic institutions, except so far as the constitution might interfere, and any intermeddling therewith by a State or individual, was contrary to the spirit of the confederacy, and was thereby illegal and unjust, he would give them his hearty and cheerful support; and would do so still if the senator from South Carolina would consent to such an amendment; but in their present form he must give his vote against them."

The general feeling of the Senate was that of entire repugnance to the whole movement – that of the petitions and memorials on the one hand, and Mr. Calhoun's resolutions on the other. The former were quietly got rid of, and in a way to rebuke, as well as to condemn their presentation; that is to say, by motions (sustained by the body) to lay them on the table. The resolutions could not so easily be disposed of, especially as their mover earnestly demanded discussion, spoke at large, and often, himself; "and desired to make the question, on their rejection or adoption, a *test* question." They were abstract, leading to no result, made discussion where silence was desirable, frustrated the design of the Senate in refusing to discuss the abolition petitions, gave them an importance to which they were not entitled, promoted agitation, embarrassed friendly senators from the North, placed some in false positions; and brought animadversions from many. Thus, Mr. Buchanan:

> "I cannot believe that the senator from South Carolina has taken the best course to attain these results (quieting agitation). This is the great centre of agitation; from this capital it spreads over the whole Union. I therefore deprecate a protracted discussion of the question here. It can do no good, but may do much harm, both in the North and in the South. The senators from Delaware, although representing a slaveholding State, have voted against these resolutions because, in their opinion, they can detect in them the poison of nullification. Now, I can see no such thing in them, and am ready to avow in the main they contain nothing but correct political principles, to which I am devoted. But what then? These senators are placed in a false position, and are compelled to vote against resolutions the object of which they heartily approve. Again, my friend, the senator from New Jersey (Mr. Wall), votes against them because they are political abstractions of which he thinks the Senate ought not to take cognizance, although he is as much opposed to abolition, and as willing to maintain the constitutional rights of the South as any senator upon this floor. Other senators believe the right of petition has been endangered; and until

that has been established they will not vote for any resolutions on the subject. Thus we stand: and those of us in the North who must sustain the brunt of the battle are forced into false positions. Abolition thus acquires force by bringing to its aid the right of petition, and the hostility which exists at the North against the doctrines of nullification. It is in vain to say that these principles are not really involved in the question. This may be, and in my opinion is, true; but why, by our conduct here, should we afford the abolitionists such plausible pretexts? The fact is, and it cannot be disguised, that those of us in the Northern States who have determined to sustain the rights of the slave States at every hazard are placed in a most embarrassing situation. We are almost literally between two fires. Whilst in front we are assailed by the abolitionists, our own friends in the South are constantly driving us into positions where their enemies and our enemies may gain important advantages."

And thus Mr. Crittenden:

"If the object of these resolutions was to produce peace, and allay excitement, it appeared to him that they were not very likely to accomplish such a purpose. More vague and general abstractions could hardly have been brought forward, and they were more calculated to produce agitation and stir up discontent and bad blood than to do any good whatever. Such he knew was the general opinion of Southern men, few of whom, however they assented to the abstractions, approved of this method of agitating the subject. The mover of these resolutions relies mainly on two points to carry the Senate with him: first, he reiterates the cry of danger to the Union; and, next, that if he is not followed in this movement he urges the inevitable consequence of the destruction of the Union. It is possible the gentleman may be mistaken. It possibly might not be exactly true that, to save the Union, it was necessary to follow him. On the contrary, some were of opinion, and he for one was much inclined to be of the same view, that to follow the distinguished mover of these resolutions – to pursue the course of irritation, agitation, and intimidation which he chalked out – would be the very best and surest method that could be chalked out to destroy this great and happy Union."

And thus Mr. Clay:

"The series of resolutions under consideration has been introduced by the senator from South Carolina, after he and other senators from the South had deprecated discussion on the delicate subject to which they relate. They have occasioned much discussion, in which hitherto I have not participated. I hope that the tendency of the resolutions may be to allay the excitement which unhappily prevails in respect to the abolition of slavery; but I confess that, taken altogether, and in connection with other circumstances, and especially considering the manner in which their author has pressed them on the Senate, I fear that they will have the opposite effect; and particularly at the North, that they may increase and exasperate instead of diminishing and assuaging the existing agitation."

And thus Mr. Preston, of South Carolina:

"His objections to the introduction of the resolutions were that they allowed ground for discussion; and that the subject ought never to be allowed to enter the halls of the legislative assembly, was always to be taken for granted by the South; and what would abstract propositions of this nature effect?"

And thus Mr. Strange, of North Carolina:

"What did they set forth but abstract principles, to which the South had again and again certified? What bulwark of defence was needed stronger than the constitution itself? Every movement on the part of the South only gave additional strength to her opponents. The wisest, nay, the only safe, course was to remain quiet, though prepared at the same time to resist all aggression. Questions like this only tended to excite angry feelings. The senator from South Carolina (Mr. Calhoun) charged him with '*preaching*' to one side. Perhaps he had sermonized too long for the patience of the Senate; but then he had *preached* to all sides. It was the agitation of the question in any form, or shape, that rendered it dangerous. Agitating this question in any shape was ruinous to the South."

And thus Mr. Richard H. Bayard, of Delaware:

"Though he denounced the spirit of abolition as dangerous and wicked in the extreme, yet he did not feel himself authorized to vote for the resolutions. If the doctrines contained in them were correct, then nullification was correct; and if passed might hereafter be appealed to as a precedent in favor of that doctrine; though he acquitted the senator [Mr. Calhoun] of having the most remote intention of smuggling in any thing in relation to that doctrine under cover of these resolutions."

Mr. Calhoun, annoyed by so much condemnation of his course, and especially from those as determined as himself to protect the slave institution where it legally existed, spoke often and warmly; and justified his course from the greatness of the danger, and the fatal consequences to the Union if it was not arrested.

"I fear (said Mr. C.) that the Senate has not elevated its view sufficiently to comprehend the extent and magnitude of the existing danger. It was perhaps his misfortune to look too much to the future, and to move against dangers at too great a distance, which had involved him in many difficulties and exposed him often to the imputation of unworthy motives. Thus he had long foreseen the immense surplus revenue which a false system of legislation must pour into the Treasury, and the fatal consequences to the morals and institutions of the country which must follow. When nothing else could arrest it he threw himself, with his State, into the breach, to arrest dangers which could not otherwise be arrested; whether wisely or not he left posterity to judge. He now saw with equal clearness – as clear as the noonday sun – the fatal consequences which must follow if the present disease be not timely arrested. He would repeat again what he had so often said on this floor. This was the only question of sufficient magnitude and potency to divide this Union; and divide it it would, or drench the country in blood, if not arrested. He knew how much the sentiment he had uttered would be misconstrued and misrepresented. There were those who saw no danger to the Union in the violation of all its fundamental principles, but who were full of apprehension when danger was foretold or resisted, and who held not the authors of the danger, but those who forewarned or opposed it, responsible for consequences."

"But the cry of disunion by the weak or designing had no terror for him. If his attachment to the Union was less, he might tamper with the deep disease which now afflicts the body politic, and keep silent till the patient was ready to sink under its mortal blows. It is a cheap, and he must say but too certain a mode of acquiring the character of devoted attachment to the Union. But, seeing the danger as he did, he would be a traitor to the Union and those he represented to keep silence. The assaults daily made on the institutions of nearly one half of the

States of this Union by the other – institutions interwoven from the beginning with their political and social existence, and which cannot be other than that without their inevitable destruction – will and must, if continued, *make two people of one* by destroying every sympathy between the two great sections – obliterating from their hearts the recollection of their common danger and glory – and implanting in their place a mutual hatred, more deadly than ever existed between two neighboring people since the commencement of the human race. He feared not the circulation of the thousands of incendiary and slanderous publications which were daily issued from an organized and powerful press among those intended to be vilified. They cannot penetrate our section; that was not the danger; it lay in a different direction. Their circulation in the non-slaveholding States was what was to be dreaded. It was infusing a deadly poison into the minds of the rising generation, implanting in them feelings of hatred, the most deadly hatred, instead of affection and love, for one half of this Union, to be returned, on their part, with equal detestation. The fatal, the immutable consequences, if not arrested, and that without delay, were such as he had presented. The first and desirable object is to arrest it in the non-slaveholding States; to meet the disease where it originated and where it exists; and the first step to this is to find some common constitutional ground on which a rally, with that object, can be made. These resolutions present the ground, and the only one, on which it can be made. The only remedy is in the State rights doctrines; and if those who profess them in slaveholding States do not rally on them as their political creed, and organize as a party against the fanatics in order to put them down, the South and West will be compelled to take the remedy into their own hands. They will then stand justified in the sight of God and man; and what in that event will follow no mortal can anticipate. Mr. President (said Mr. C.), we are reposing on a volcano. The Senate seems entirely ignorant of the state of feeling in the South. The mail has just brought us intelligence of a most important step taken by one of the Southern States in connection with this subject, which will give some conception of the tone of feeling which begins to prevail in that quarter."

It was such speaking as this that induced some votes against the resolutions. All the senators were dissatisfied at the constant exhibition of the same remedy (disunion), for all the diseases of the body politic; but the greater part deemed it right, if they voted at all, to vote their real sentiments. Many were disposed to lay the resolutions on the table, as the disturbing petitions had been; but it was concluded that policy made it preferable to vote upon them.

Mr. Benton did not speak in this debate. He believed, as others did, that discussion was injurious; that it was the way to keep up and extend agitation, and the thing above all others which the abolitionists desired. Discussion upon the floor of the American Senate was to them the concession of an immense advantage – the concession of an elevated and commanding theatre for the display and dissemination of their doctrines. It gave them the point to stand upon from which they could reach every part of the Union; and it gave them the *Register of the Debates*, instead of their local papers, for their organ of communication. Mr. Calhoun was a fortunate customer for them.

The Senate, in laying all their petitions and the memorial of Vermont on the table without debate, signified its desire to yield them no such advantage. The introduction of Mr. Calhoun's resolution frustrated that desire, and induced many to do what they condemned. Mr. Benton took his own sense of the proper course, in abstaining from debate, and confining the expression of his opinions to the delivery of votes: and in that he conformed to the *sense* of the Senate, and the *action* of the House of Representatives. Many hundreds of these petitions were presented in the House, and quietly laid upon the table (after a stormy scene, and the adoption of a new rule), under motions to

that effect; and this would have been the case in the Senate, had it not been for the resolutions, the introduction of which was so generally deprecated.

The part of this debate which excited no attention at the time, but has since acquired a momentous importance, is that part in which Mr. Calhoun declared his favorable disposition to the Missouri compromise, and his condemnation of Mr. Randolph (its chief opponent), for opposing it; and his change of opinion since, not for unconstitutionality, but because he believed it to have become dangerous in encouraging the spirit of abolitionism. This compromise was the highest, the most solemn, the most momentous, the most emphatic assertion of Congressional power over slavery in a territory which had ever been made, or could be conceived. It not only abolished slavery where it legally existed; but for ever prohibited it where it had long existed, and that over an extent of territory larger than the area of all the Atlantic slave States put together: and thus yielding to the free States the absolute predominance in the Union.

Mr. Calhoun was for that resolution in 1820, – blamed those who opposed it; and could see no objection to it in 1838 but the encouragement it gave to the spirit of abolitionism. Nine years afterwards (session of 1846-'47) he submitted other resolutions (five in number) on the same power of Congress over slavery legislation in the territories; in which he denied the power, and asserted that any such legislation to the prejudice of the slaveholding emigrants from the States, in preventing them from removing, with their slave property, to such territory, "would be a violation of the constitution and the rights of the States from which such citizens emigrated, and a derogation of that perfect equality which belongs to them as members of this Union; *and would tend directly to subvert the Union itself*."

These resolutions, so new and startling in their doctrines – so contrary to their antecessors, and to the whole course of the government – were denounced by the writer of this View the instant they were read in the Senate, and, being much discountenanced by other senators, they were never pressed to a vote in that body; but were afterwards adopted by some of the slave State legislatures. One year afterwards, in a debate on the Oregon territorial bill, and on the section which proposed to declare the anti-slavery clause of the ordinance of 1787 to be in force in that territory, Mr. Calhoun denied the power of Congress to make any such declaration, or in any way to legislate upon slavery in a territory. He delivered a most elaborate and thoroughly considered speech on the subject, in the course of which he laid down three propositions:

1. That Congress had no power to legislate upon slavery in a territory, so as to prevent the citizens of slaveholding States from removing into it with their slave property. 2. That Congress had no power to delegate such authority to a territory. 3. That the territory had no such power in itself (thus leaving the subject of slavery in a territory without any legislative power over it at all). He deduced these dogmas from a new insight into the constitution, which, according to this fresh introspection, recognized slavery as a national institution, and carried that part of itself (by its own vigor) into all the territories; and protected slavery there: *ergo*, neither Congress, nor its deputed territorial legislature, nor the people of the territory during their territorial condition, could any way touch the subject – either to affirm, or disaffirm the institution. He endeavored to obtain from Congress a crutch to aid these lame doctrines in limping into the territories by getting the constitution voted into them, as part of their organic law; and, failing in that attempt (repeatedly made), he took position on the ground that the constitution went into these possessions of itself, so far as slavery was concerned, it being a national institution.

These three propositions being in flagrant conflict with the power exercised by Congress in the establishment of the Missouri compromise line (which had become a tradition as a Southern measure, supported by Southern members of Congress, and sanctioned by the cabinet of Mr. Monroe, of which Mr. Calhoun was a member), the fact of that compromise and his concurrence in it was immediately used against him by Senator Dix, of New York, to invalidate his present opinions.

Unfortunately he had forgotten this cabinet consultation, and his own concurrence in its decision – believing fully that no such thing had occurred, and adhering firmly to the new dogma of total denial of all constitutional power in Congress to legislate upon slavery in a territory. This brought up recollections to sustain the tradition which told of the consultation – to show that it took place – that its voice was unanimous in favor of the compromise; and, consequently, that Mr. Calhoun himself was in favor of it. Old writings were produced:

First, a *fac simile* copy of an original paper in Mr. Monroe's handwriting, found among his manuscripts, dated March 4, 1820 (two days before the approval of the Missouri compromise act), and indorsed: "Interrogatories – Missouri – to the Heads of Departments and the Attorney-General;" and containing within two questions: "1. Has Congress a right, under the powers vested in it by the constitution, to make a regulation prohibiting slavery in a territory? 2. Is the 8th section of the act which passed both Houses of Congress on the 3d instant for the admission of Missouri into the Union, consistent with the constitution?" *Secondly*, the draft of an original letter in Mr. Monroe's handwriting, but without signature, date, or address, but believed to have been addressed to General Jackson, in which he says: "The question which lately agitated Congress and the public has been settled, as you have seen, by the passage of an act for the admission of Missouri as a State, unrestricted, and Arkansas, also, when it reaches maturity; and the establishment of the parallel of 36 degrees 30 minutes as a line north of which slavery is prohibited, and permitted south of it. I took the opinion, in writing, of the administration as to the constitutionality of restraining territories, which was explicit in favor of it, and, as it was, that the 8th section of the act was applicable to territories only, and not to States when they should be admitted into the Union." *Thirdly*, an extract from the diary of Mr. John Quincy Adams, under date of the 3d of March, 1820, stating that the President on that day assembled his cabinet to ask their opinions on the two questions mentioned – which the whole cabinet immediately answered unanimously, and affirmatively; that on the 5th he sent the questions in writing to the members of his cabinet, to receive their written answers, to be filed in the department of State; and that on the 6th he took his own answer to the President, to be filed with the rest – all agreeing in the affirmative, and only differing some in assigning, others not assigning reasons for his opinion. The diary states that the President signed his approval of the Missouri act on the 6th (which the act shows he did), and requested Mr. Adams to have all the opinions filed in the department of State.

Upon this evidence it would have rested without question that Mr. Monroe's cabinet had been consulted on the constitutionality of the Missouri compromise line, and that all concurred in it, had it not been for the denial of Mr. Calhoun in the debate on the Oregon territorial bill. His denial brought out this evidence; and, notwithstanding its production and conclusiveness, he adhered tenaciously to his disbelief of the whole occurrence and especially the whole of his own imputed share in it. Two circumstances, specious in themselves, favored this denial: *first*, that no such papers as those described by Mr. Adams were to be found in the department of State; *secondly*, that in the original draft of Mr. Monroe's letter it had first been written that the affirmative answers of his cabinet to his two interrogatories were "*unanimous*" which word had been crossed out and "*explicit*" substituted.

With some these two circumstances weighed nothing against the testimony of two witnesses, and the current corroborating incidents of tradition. In the lapse of twenty-seven years, and in the changes to which our cabinet officers and the clerks of departments are subjected, it was easy to believe that the papers had been mislaid or lost – far easier than to believe that Mr. Adams could have been mistaken in the entry made in his diary at the time. And as to the substitution of "explicit" for "unanimous," that was known to be necessary in order to avoid the violation of the rule which forbid the disclosure of individual opinions in the cabinet consultations. With others, and especially with the political friends of Mr. Calhoun, they were received as full confirmation of his denial, and left them at liberty to accept his present opinions as those of his whole life, uninvalidated by previous personal discrepancy, and uncounteracted by the weight of a cabinet decision under Mr. Monroe: and accordingly the new-born dogma of *no power in Congress to legislate upon the existence of slavery in*

the territories became an article of political faith, incorporated in the creed, and that for action, of a large political party. What is now brought to light of the proceedings in the Senate in '37-'38 shows this to have been a mistake – that Mr. Calhoun admitted the power in 1820, when he favored the compromise and blamed Mr. Randolph for opposing it; that he admitted it again in 1838, when he submitted his own resolutions, and voted for those of Mr. Clay. It so happened that no one recollected these proceedings of '37-'38 at the time of the Oregon debate of '47-'48. The writer of this View, though possessing a memory credited as tenacious, did not recollect them, nor remember them at all, until found among the materials collected for this history – a circumstance which he attributes to his repugnance to the whole debate, and taking no part in the proceedings except to vote.

The cabinet consultation of 1820 was not mentioned by Mr. Calhoun in his avowal of 1838, nor is it necessary to the object of this View to pursue his connection with that private executive counselling. The only material inquiry is as to his approval of the Missouri compromise at the time it was adopted; and that is fully established by himself.

It would be a labor unworthy of history to look up the conduct of any public man, and trace him through shifting scenes, with a mere view to personal effect – with a mere view to personal disparagement, by showing him contradictory and inconsistent at some period of his course. Such a labor would be idle, unprofitable, and derogatory; but, when a change takes place in a public man's opinions which leads to a change of conduct, and into a new line of action disastrous to the country, it becomes the duty of history to note the fact, and to expose the contradiction – not for personal disparagement – but to counteract the force of the new and dangerous opinion.

In this sense it becomes an obligatory task to show the change, or rather changes, in Mr. Calhoun's opinions on the constitutional power of Congress over the existence of slavery in the national territories; and these changes have been great – too great to admit of followers if they had been known. *First*, fully admitting the power, and justifying its exercise in the largest and highest possible case. *Next*, admitting the power, but deprecating its exercise in certain limited, specified, qualified cases. *Then*, denying it in a limited and specified case. *Finally*, denying the power any where, and every where, either in Congress, or in the territorial legislature as its delegate, or in the people as sovereign. The last of these mutations, or rather the one before the last (for there are but few who can go the whole length of the three propositions in the Oregon speech), has been adopted by a large political party and acted upon; and with deplorable effect to the country. Holding the Missouri compromise to have been unconstitutional, they have abrogated it as a nullity; and in so doing have done more to disturb the harmony of this Union, to unsettle its foundations, to shake its stability, and to prepare the two halves of the Union for parting, than any act, or all acts put together, since the commencement of the federal government. This lamentable act could not have been done, – could not have found a party to do it, – if Mr. Calhoun had not changed his opinion on the constitutionality of the Missouri compromise line; or if he could have recollected in 1848 that he approved that line in 1820; and further remembered, that he saw nothing unconstitutional in it as late as 1838. The change being now shown, and the imperfection of his memory made manifest by his own testimony, it becomes certain that the new doctrine was an after-thought, disowned by its antecedents – a figment of the brain lately hatched – and which its author would have been estopped from promulgating if these antecedents had been recollected. History now pleads them as an estoppel against his followers.

Mr. Monroe, in his letter to General Jackson, immediately after the establishment of the Missouri compromise, said that that compromise settled the slavery agitation which threatened to break up the Union. Thirty-four years of quiet and harmony under that settlement bear witness to the truth of these words, spoken in the fulness of patriotic gratitude at seeing his country escape from a great danger. The year 1854 has seen the abrogation of that compromise; and with its abrogation the revival of the agitation, and with a force and fury never known before: and now may be seen in fact what was hypothetically foreseen by Mr. Calhoun in 1838, when, as the fruit of this agitation, he saw the destruction of all sympathy between the two sections of the Union – obliteration from the

memory of all proud recollections of former common danger and glory – hatred in the hearts of the North and the South, more deadly than ever existed between two neighboring nations. May we not have to witness the remainder of his prophetic vision – "Two people made of one!"

P.S. – After this chapter had been written, the author received authentic information that, during the time that John M. Clayton, Esq. of Delaware, was Secretary of State under President Taylor (1849-50), evidence had been found in the Department of State, of the fact, that the opinion of Mr. Calhoun and of the rest of Mr. Monroe's cabinet, had been filed there. In consequence a note of inquiry was addressed to Mr. Clayton, who answered (under date of July 19th, 1855) as follows:

> "In reply to your inquiry I have to state that I have no recollection of having ever met with Mr. Calhoun's answer to Mr. Monroe's cabinet queries, as to the constitutionality of the Missouri compromise. It had not been found while I was in the department of state, as I was then informed: but the archives of the department disclose the fact, that Mr. Calhoun, and other members of the cabinet, did answer Mr. Monroe's questions. It appears by an index that these answers were filed among the archives of that department. I was told they had been abstracted from the records, and could not be found; but I did not make a search for them myself. I have never doubted that Mr. Calhoun at least acquiesced in the decision of the cabinet of that day. Since I left the Department of State I have heard it rumored that Mr. Calhoun's answer to Mr. Monroe's queries had been found; but I know not upon what authority the statement was made."

CHAPTER XXXIV.
DEATH OF COMMODORE RODGERS, AND NOTICE OF HIS LIFE AND CHARACTER

My idea of the perfect naval commander had been formed from history, and from the study of such characters as the Von Tromps and De Ruyters of Holland, the Blakes of England, and the De Tourvilles of France – men modest and virtuous, frank and sincere, brave and patriotic, gentle in peace, terrible in war; formed for high command by nature; and raising themselves to their proper sphere by their own exertions from low beginnings. When I first saw Commodore Rodgers, which was after I had reached senatorial age and station, he recalled to me the idea of those model admirals; and subsequent acquaintance confirmed the impression then made. He was to me the complete impersonation of my idea of the perfect naval commander – person, mind, and manners; with the qualities for command grafted on the groundwork of a good citizen and good father of a family; and all lodged in a frame to bespeak the seaman and the officer.

His very figure and face were those of the naval hero – such as we conceive from naval songs and ballads; and, from the course of life which the sea officer leads – exposed to the double peril of waves and war, and contending with the storms of the elements as well as with the storm of battle. We associate the idea of bodily power with such a life; and when we find them united – the heroic qualities in a frame of powerful muscular development – we experience a gratified feeling of completeness, which fulfils a natural expectation, and leaves nothing to be desired. And when the same great qualities are found, as they often are, in the man of slight and slender frame, it requires some effort of reason to conquer a feeling of surprise at a combination which is a contrast, and which presents so much power in a frame so little promising it; and hence all poets and orators, all painters and sculptors, all the dealers in imaginary perfections, give a corresponding figure of strength and force to the heroes they create.

Commodore Rodgers needed no help from the creative imagination to endow him with the form which naval heroism might require. His person was of the middle height, stout, square, solid, compact; well-proportioned; and combining in the perfect degree the idea of strength and endurance with the reality of manly comeliness – the statue of Mars, in the rough state, before the conscious chisel had lent the last polish. His face, stern in the outline, was relieved by a gentle and benign expression – grave with the overshadowing of an ample and capacious forehead and eyebrows. Courage need not be named among the qualities of Americans; the question would be to find one without it. His skill, enterprise, promptitude and talent for command, were shown in the war of 1812 with Great Britain; in the *quasi* war of 1799 with the French Republic – *quasi* only as it concerned political relations, real as it concerned desperate and brilliant combats at sea; and in the Mediterranean wars with the Barbary States, when those States were formidable in that sea and held Europe under tribute; and which tribute from the United States was relinquished by Tripoli and Tunis at the end of the war with these States – Commodore Rodgers commanding at the time as successor to Barron and Preble. It was at the end of this war, 1804, so valiantly conducted and so triumphantly concluded, that the reigning Pope, Pius the Seventh, publicly declared that America had done more for Christendom against the Barbary States, than all the powers of Europe combined.

He was first lieutenant on the Constellation when that frigate, under Truxton, vanquished and captured the French frigate Insurgent; and great as his merit was in the action, where he showed himself to be the proper second to an able commander, it was greater in what took place after it; and in which steadiness, firmness, humanity, vigilance, endurance, and seamanship, were carried to their highest pitch; and in all which his honors were shared by the then stripling midshipman, afterwards the brilliant Commodore Porter.

The Insurgent having struck, and part of her crew been transferred to the Constellation, Lieut. Rodgers and Midshipman Porter were on board the prize, superintending the transfer, when a tempest arose – the ships parted – and dark night came on. There were still one hundred and seventy-three French prisoners on board. The two young officers had but eleven men – thirteen in all – to guard thirteen times their number; and work a crippled frigate at the same time, and get her into port. And nobly did they do it. For three days and nights did these thirteen (though fresh from a bloody conflict which strained every faculty and brought demands for rest), without sleep or repose, armed to the teeth, watching with eye and ear, stand to the arduous duty – sailing their ship, restraining their prisoners, solacing the wounded – ready to kill, and hurting no one. They did not sail at random, or for the nearest port; but, faithful to the orders of their commander, given under different circumstances, steered for St. Kitts, in the West Indies – arrived there safely – and were received with triumph and admiration.

Such an exploit equalled any fame that could be gained in battle; for it brought into requisition all the qualities for command which high command requires; and foreshadowed the future eminence of these two young officers. What firmness, steadiness, vigilance, endurance, and courage – far above that which the battle-field requires! and one of these young officers, a slight and slender lad, as frail to the look as the other was powerful; and yet each acting his part with the same heroic steadiness and perseverance, coolness and humanity! They had no irons to secure a single man. The one hundred and seventy-three French were loose in the lower hold, a sentinel only at each gangway; and vigilance, and readiness to use their arms, the only resource of the little crew. If history has a parallel to this deed I have not seen it; and to value it in all its extent, it must be remembered that these prisoners were Frenchmen – their inherent courage exalted by the frenzy of the revolution – themselves fresh from a murderous conflict – the decks of the ship still red and slippery with the blood of their comrades; and they with a right, both legal and moral, to recover their liberty if they could. These three days and nights, still more than the victory which preceded them, earned for Rodgers the captaincy, and for Porter the lieutenancy, with which they were soon respectively honored.

American cruisers had gained credit in the war of the Revolution, and in the *quasi* war with the French Republic; and American squadrons had bearded the Barbary Powers in their dens, after chasing their piratical vessels from the seas: but a war with Great Britain, with her one thousand and sixty vessels of war on her naval list, and above seven hundred of these for service, her fleets swelled with the ships of all nations, exalted with the idea of invincibility, and one hundred and twenty guns on the decks of her first-class men-of-war – any naval contest with such a power, with seventeen vessels for the sea, ranging from twelve to forty-four guns (which was the totality which the American naval register could then show), seemed an insanity. And insanity it would have been with even twenty times as many vessels, and double their number of guns, if naval battles with rival fleets had been intended. Fortunately we had naval officers at that time who understood the virtue of cruising, and believed they could do what Paul Jones and others had done during the war of the Revolution.

Political men believed nothing could be done at sea but to lose the few vessels which we had; that even cruising was out of the question. Of our seventeen vessels, the whole were in port but one; and it was determined to keep them there, and the one at sea with them, if it had the luck to get in. I am under no obligation to make the admission, but I am free to acknowledge, that I was one of those who supposed that there was no salvation for our seventeen men-of-war but to run them as far up the creek as possible, place them under the guns of batteries, and collect camps of militia about them, to keep off the British. This was the policy at the day of the declaration of the war; and I have the less concern to admit myself to have been participator in the delusion, because I claim the merit of having profited from experience – happy if I could transmit the lesson to posterity. Two officers came to Washington – Bainbridge and Stewart. They spoke with Mr. Madison, and urged the feasibility of cruising. One-half of the whole number of the British men-of-war were under the class of frigates, consequently no more than matches for some of our seventeen; the whole of her merchant marine

(many thousands) were subject to capture. Here was a rich field for cruising; and the two officers, for themselves and brothers, boldly proposed to enter it.

Mr. Madison had seen the efficiency of cruising and privateering, even against Great Britain, and in our then infantile condition, during the war of the Revolution; and besides was a man of sense, and amenable to judgment and reason. He listened to the two experienced and valiant officers; and, without consulting Congress, which perhaps would have been a fatal consultation (for multitude of counsellors is not the council for *bold* decision), reversed the policy which had been resolved upon; and, in his supreme character of constitutional commander of the army and navy, ordered every ship that could cruise to get to sea as soon as possible. This I had from Mr. Monroe, and it is due to Mr. Madison to tell it, who, without pretending to a military character, had the merit of sanctioning this most vital war measure.

Commodore Rodgers was then in New York, in command of the President (44), intended for a part of the harbor defence of that city. Within one hour after he had received his cruising orders, he was under way. This was the 21st of June. That night he got information of the Jamaica fleet (merchantmen), homeward bound; and crowded all sail in the direction they had gone, following the Gulf Stream towards the east of Newfoundland. While on this track, on the 23d, a British frigate was perceived far to the northeast, and getting further off. It was a nobler object than a fleet of merchantmen, and chase was immediately given her, and she gained upon; but not fast enough to get alongside before night.

It was four o'clock in the evening, and the enemy in range of the bow-chasers. Commodore Rodgers determined to cripple her, and diminish her speed; and so come up with her. He pointed the first gun himself, and pointed it well. The shot struck the frigate in her rudder coat, drove through her stern frame, and passed into the gun-room. It was the first gun fired during the war; and was no waste of ammunition. Second Lieutenant Gamble, commander of the battery, pointed and discharged the second – hitting and damaging one of the enemy's stern chasers. Commodore Rodgers fired the third – hitting the stern again, and killing and wounding six men. Mr. Gamble fired again. The gun bursted! killing and wounding sixteen of her own men, blowing up the Commodore – who fell with a broken leg upon the deck. The pause in working the guns on that side, occasioned by this accident, enabled the enemy to bring some stern guns to bear, and to lighten his vessel to increase her speed. He cut away his anchors, stove and threw overboard his boats, and started fourteen tons of water. Thus lightened, he escaped. It was the Belvidera, 36 guns, Captain Byron. The President would have taken her with all ease if she had got alongside; and of that the English captain showed himself duly, and excusably sensible.

The frigate having escaped, the Commodore, regardless of his broken leg, hauled up to its course in pursuit of the Jamaica fleet, and soon got information that it consisted of eighty-five sail, and was under convoy of four men-of-war; one of them a two-decker, another a frigate; and that he was on its track. Passing Newfoundland and finding the sea well sprinkled with the signs of West India fruit – orange peels, cocoanut shells, pine-apple rinds, &c. – the Commodore knew himself to be in the wake of the fleet, and made every exertion to come up with it before it could reach the chops of the channel: but in vain. When almost in sight of the English coast, and no glimpse obtained of the fleet, he was compelled to tack, run south: and, after an extended cruise, return to the United States.

The Commodore had missed the two great objects of his ambition – the fleet and the frigate; but the cruise was not barren either in material or moral results. Seven British merchantmen were captured – one American recaptured – the English coast had been approached. With impunity an American frigate – one of those insultingly styled "fir-built, with a bit of striped bunting at her mast-head," – had almost looked into that narrow channel which is considered the sanctum of a British ship. An alarm had been spread, and a squadron of seven men-of-war (four of them frigates and one a sixty-four gun ship) were assembled to capture him; one of them the Belvidera, which had escaped at the bursting of the President's gun, and spread the news of her being at sea.

It was a great honor to Commodore Rodgers to send such a squadron to look after him; and became still greater to Captain Hull, in the Constitution, who escaped from it after having been almost surrounded by it. It was evening when this captain began to fall in with that squadron, and at daylight found himself almost encompassed by it – three ahead and four astern. Then began that chase which continued seventy-two hours, in which seven pursued one, and seemed often on the point of closing on their prize; in which every means of progress, from reefed topsails to kedging and towing, was put into requisition by either party – the one to escape, the other to overtake; in which the stern-chasers of one were often replying to the bow-chasers of the other; and the greatest precision of manœuvring required to avoid falling under the guns of some while avoiding those of others; and which ended with putting an escape on a level with a great victory. Captain Hull brought his vessel safe into port, and without the sacrifice of her equipment – not an anchor having been cut away, boat stove, or gun thrown overboard to gain speed by lightening the vessel. It was a brilliant result, with all the moral effects of victory, and a splendid vindication of the policy of cruising – showing that we had seamanship to escape the force which we could not fight.

Commodore Rodgers made another extended cruise during this war, a circuit of eight thousand miles, traversing the high seas, coasting the shores of both continents, searching wherever the cruisers or merchantmen of the enemy were expected to be found; capturing what was within his means, avoiding the rest. A British government packet, with nearly $300,000 in specie, was taken; many merchantmen were taken; and, though an opportunity did not offer to engage a frigate of equal or nearly equal force, and to gain one of those electrifying victories for which our cruisers were so remarkable, yet the moral effect was great – demonstrating the ample capacity of an American frigate to go where she pleased in spite of the "thousand ships of war" of the assumed mistress of the seas; carrying damage and alarm to the foe, and avoiding misfortune to itself.

At the attempt of the British upon Baltimore Commodore Rodgers was in command of the maritime defences of that city, and, having no means of contending with the British fleet in the bay, he assembled all the seamen of the ships-of-war and of the flotilla, and entered judiciously into the combinations for the land defence.

Humane feeling was a characteristic of this brave officer, and was verified in all the relations of his life, and in his constant conduct. Standing on the bank of the Susquehanna river, at Havre de Grace, one cold winter day, the river flooded and filled with floating ice, he saw (with others), at a long distance, a living object – discerned to be a human being – carried down the stream. He ventured in, against all remonstrance, and brought the object safe to shore. It was a colored woman – to him a human being, doomed to a frightful death unless relieved; and heroically relieved at the peril of his own life. He was humane in battle. That was shown in the affair of the Little Belt – chased, hailed, fought (the year before the war), and compelled to answer the hail, and tell who she was, with expense of blood, and largely; but still the smallest possible quantity that would accomplish the purpose. The encounter took place in the night, and because the British captain would not answer the American hail. Judging from the inferiority of her fire that he was engaged with an unequal antagonist, the American Commodore suspended his own fire, while still receiving broadsides from his arrogant little adversary; and only resumed it when indispensable to his own safety, and the enforcement of the question which he had put. An answer was obtained after thirty-one had been killed or wounded on board the British vessel; and this at six leagues from the American coast: and, the doctrine of no right to stop a vessel on the high seas to ascertain her character not having been then invented, no political consequence followed this bloody enforcement of maritime police – exasperated against each other as the two nations were at the time.

At the death of Decatur, killed in that lamentable duel, I have heard Mr. Randolph tell, and he alone could tell it, of the agony of Rodgers as he stood over his dying friend, in bodily contention with his own grief – convulsed within, calm without; and keeping down the struggling anguish of the soul by dint of muscular power.

That feeling heart was doomed to suffer a great agony in the untimely death of a heroic son, emulating the generous devotion of the father, and perishing in the waves, in vain efforts to save comrades more exhausted than himself; and to whom he nobly relinquished the means of his own safety. It was spared another grief of a kindred nature (not having lived to see it), in the death of another heroic son, lost in the sloop-of-war Albany, in one of those calamitous founderings at sea in which the mystery of an unseen fate deepens the shades of death, and darkens the depths of sorrow – leaving the hearts of far distant friends a prey to a long agony of hope and fear – only to be solved in an agony still deeper.

Commodore Rodgers died at the head of the American navy, without having seen the rank of Admiral established in our naval service, for which I voted when senator, and hoped to have seen conferred on him, and on others who have done so much to exalt the name of their country; and which rank I deem essential to the good of the service, even in the cruising system I deem alone suitable to us.

CHAPTER XXXV.
ANTI-DUELLING ACT

The death of Mr. Jonathan Cilley, a representative in Congress from the State of Maine, killed in a duel with rifles, with Mr. Graves of Kentucky, led to the passage of an act with severe penalties against duelling, in the District of Columbia, or out of it upon agreement within the District. The penalties were – death to all the survivors, when any one was killed: a five years imprisonment in the penitentiary for giving or accepting a challenge. Like all acts passed under a sudden excitement, this act was defective, and more the result of good intentions than of knowledge of human nature. Passions of the mind, like diseases of the body, are liable to break out in a different form when suppressed in the one they had assumed. No physician suppresses an eruption without considering what is to become of the virus which is escaping, if stopped and confined to the body: no legislator should suppress an evil without considering whether a worse one is at the same time planted. I was a young member of the general assembly of Tennessee (1809), when a most worthy member (Mr. Robert C. Foster), took credit to himself for having put down billiard tables in Nashville. Another most worthy member (General Joseph Dixon) asked him how many card tables he had put up in their place? This was a side of the account to which the suppressor of billiard tables had not looked: and which opened up a view of serious consideration to every person intrusted with the responsible business of legislation – a business requiring so much knowledge of human nature, and so seldom invoking the little we possess. It has been on my mind ever since; and I have had constant occasions to witness its disregard – and seldom more lamentably than in the case of this anti-duelling act. It looked to one evil, and saw nothing else. It did not look to the assassinations, under the pretext of self-defence, which were to rise up in place of the regular duel. Certainly it is deplorable to see a young man, the hope of his father and mother – a ripe man, the head of a family – an eminent man, necessary to his country – struck down in the duel; and should be prevented if possible. Still this deplorable practice is not so bad as the bowie knife, and the revolver, and their pretext of self-defence – thirsting for blood. In the duel, there is at least consent on both sides, with a preliminary opportunity for settlement, with a chance for the law to arrest them, and room for the interposition of friends as the affair goes on. There is usually equality of terms; and it would not be called an affair of honor, if honor was not to prevail all round; and if the satisfying a point of honor, and not vengeance, was the end to be attained. Finally, in the regular duel, the principals are in the hands of the seconds (for no man can be made a second without his consent); and as both these are required by the duelling code (for the sake of fairness and humanity), to be free from ill will or grudge towards the adversary principal, they are expected to terminate the affair as soon as the point of honor is satisfied – and, the less the injury, so much the better. The only exception to these rules is, where the principals are in such relations to each other as to admit of no accommodation, and the injury such as to admit of no compromise. In the knife and revolver business, all this is different. There is no preliminary interval for settlement – no chance for officers of justice to intervene – no room for friends to interpose. Instead of equality of terms, every advantage is sought. Instead of consent, the victim is set upon at the most unguarded moment. Instead of satisfying a point of honor, it is vengeance to be glutted. Nor does the difference stop with death. In the duel, the unhurt principal scorns to continue the combat upon his disabled adversary: in the knife and revolver case, the hero of these weapons continues firing and stabbing while the prostrate body of the dying man gives a sign of life. In the duel the survivor never assails the character of the fallen: in the knife and revolver case, the first movement of the victor is to attack the character of his victim – to accuse him of an intent to murder; and to make out a case of self-defence, by making out a case of premeditated attack against the other. And in such false accusation, the French proverb is usually verified – *the dead and the absent are always in the wrong*.

The anti-duelling act did not suppress the passions in which duels originate: it only suppressed one mode, and that the least revolting, in which these passions could manifest themselves. It did not suppress the homicidal intent – but gave it a new form: and now many members of Congress go into their seats with deadly weapons under their garments – ready to insult with foul language, and prepared to kill if the language is resented. The act should have pursued the homicidal intent into whatever form it might assume; and, therefore, should have been made to include all unjustifiable homicides.

The law was also mistaken in the nature of its penalties: they are not of a kind to be enforced, if incurred. It is in vain to attempt to punish more ignominiously, and more severely, a duel than an assassination. The offences, though both great, are of very different degrees; and human nature will recognize the difference though the law may not: and the result will be seen in the conduct of juries, and in the temper of the pardoning power. A species of penalty unknown to the common law, and rejected by it, and only held good when a man was the vassal of his lord – the dogma that the private injury to the family is merged in the public wrong – this species of penalty (amends to the family) is called for by the progress of homicides in our country; and not as a substitute for the death penalty, but cumulative. Under this dogma, a small injury to a man's person brings him a moneyed indemnity; in the greatest of all injuries, that of depriving a family of its support and protector, no compensation is allowed. This is preposterous, and leads to deadly consequences. It is cheaper now to kill a man, than to hurt him; and, accordingly, the preparation is generally to kill, and not to hurt. The frequency, the wantonness, the barbarity, the cold-blooded cruelty, and the demoniac levity with which homicides are committed with us, have become the opprobrium of our country. An incredible number of persons, and in all parts of the country, seem to have taken the code of Draco for their law, and their own will for its execution – kill for every offence. The death penalty, prescribed by divine wisdom, is hardly a scare-crow. Some States have abolished it by statute – some communities, virtually, by a mawkish sentimentality: and every where, the jury being the judge of the law as well as of the fact, find themselves pretty much in a condition to do as they please. And unanimity among twelve being required, as in the English law, instead of a concurrence of three-fifths in fifteen, as in the Scottish law, it is in the power of one or two men to prevent a conviction, even in the most flagrant cases. In this deluge of bloodshed some new remedy is called for in addition to the death penalty; and it may be best found in the principle of compensation to the family of the slain, recoverable in every case where the homicide was not justifiable under the written laws of the land. In this wide-spread custom of carrying deadly weapons, often leading to homicides where there was no previous intent, some check should be put on a practice so indicative of a bad heart – a heart void of social duty, and fatally bent on mischief; and this check may be found in making the fact of having such arms on the person an offence in itself, *prima facie* evidence of malice, and to be punished cumulatively by the judge; and that without regard to the fact whether used or not in the affray.

The anti-duelling act of 1839 was, therefore, defective in not pursuing the homicidal offence into all the new forms it might assume; in not giving damages to a bereaved family – and not punishing the carrying of the weapon, whether used or not – only accommodating the degree of punishment to the more or less use that had been made of it. In the Halls of Congress it should be an offence, in itself, whether drawn or not, subjecting the offender to all the penalties for a high misdemeanor – removal from office – disqualification to hold any office of trust or profit under the United States – and indictment at law besides.

CHAPTER XXXVI.
SLAVERY AGITATION IN THE HOUSE OF REPRESENTATIVES, AND RETIRING OF SOUTHERN MEMBERS FROM THE HALL

The most angry and portentous debate which had yet taken place in Congress, occurred at this time in the House of Representatives. It was brought on by Mr. William Slade, of Vermont, who, besides presenting petitions of the usual abolition character, and moving to refer them to a committee, moved their reference to a select committee, with instructions to report a bill in conformity to their prayer. This motion, inflammatory and irritating in itself, and without practical legislative object, as the great majority of the House was known to be opposed to it, was rendered still more exasperating by the manner of supporting it. The mover entered into a general disquisition on the subject of slavery, all denunciatory, and was proceeding to speak upon it in the State of Virginia, and other States, in the same spirit, when Mr. Legare, of South Carolina, interposed, and —

> "Hoped the gentleman from Vermont would allow him to make a few remarks before he proceeded further. He sincerely hoped that gentleman would consider well what he was about before he ventured on such ground, and that he would take time to consider what might be its probable consequences. He solemnly entreated him to reflect on the possible results of such a course, which involved the interests of a nation and a continent. He would warn him, not in the language of defiance, which all brave and wise men despised, but he would warn him in the language of a solemn sense of duty, that if there was 'a spirit aroused in the North in relation to this subject,' that spirit would encounter another spirit in the South full as stubborn. He would tell them that, when this question was forced upon the people of the South, they would be ready to take up the gauntlet. He concluded by urging on the gentleman from Vermont to ponder well on his course before he ventured to proceed."

Mr. Slade continued his remarks when Mr. Dawson of Georgia, asked him for the floor, that he might move an adjournment – evidently to carry off the storm which he saw rising. Mr. Slade refused to yield it; so the motion to adjourn could not be made. Mr. Slade continued, and was proceeding to answer his own inquiry put to himself – *what was Slavery?* when Mr. Dawson again asked for the floor, to make has motion of adjournment. Mr. Slade refused it: a visible commotion began to pervade the House – members rising, clustering together, and talking with animation. Mr. Slade continued, and was about reading a judicial opinion in one of the Southern States which defined a slave to be a chattel – when Mr. Wise called him to order for speaking beside the question – the question being upon the abolition of slavery in the District of Columbia, and Mr. Slade's remarks going to its legal character, as property in a State. The Speaker, Mr. John White, of Kentucky, sustained the call, saying it was not in order to discuss the subject of slavery in any of the States. Mr. Slade denied that he was doing so, and said he was merely quoting a Southern judicial decision as he might quote a legal opinion delivered in Great Britain. Mr. Robertson, of Virginia, moved that the House adjourn. The Speaker pronounced the motion (and correctly), out of order, as the member from Vermont was in possession of the floor and addressing the House. He would, however, suggest to the member from Vermont, who could not but observe the state of the House, to confine himself strictly to the subject of his motion. Mr. Slade went on at great length, when Mr. Petrikin, of Pennsylvania, called him to order; but the Chair did not sustain the call. Mr. Slade went on, quoting from the Declaration of Independence, and the constitutions of the several States, and had got to that of Virginia, when Mr.

Wise called him to order for reading papers without the leave of the House. The Speaker decided that no paper, objected to, could be read without the leave of the House. Mr. Wise then said:

> "That the gentleman had wantonly discussed the abstract question of slavery, going back to the very first day of the creation, instead of slavery as it existed in the District, and the powers and duties of Congress in relation to it. He was now examining the State constitutions to show that as it existed in the States it was against them, and against the laws of God and man. This was out of order."

Mr. Slade explained, and argued in vindication of his course, and was about to read a memorial of Dr. Franklin, and an opinion of Mr. Madison on the subject of slavery – when the reading was objected to by Mr. Griffin, of South Carolina; and the Speaker decided they could not be read without the permission of the House. Mr. Slade, without asking the permission of the House, which he knew would not be granted, assumed to understand the prohibition as extending only to himself personally, said – "*Then I send them to the clerk: let him read them.*" The Speaker decided that this was equally against the rule. Then Mr. Griffin withdrew the objection, and Mr. Slade proceeded to read the papers, and to comment upon them as he went on, and was about to go back to the State of Virginia, and show what had been the feeling there on the subject of slavery previous to the date of Dr. Franklin's memorial: Mr. Rhett, of South Carolina, inquired of the Chair what the opinions of Virginia fifty years ago had to do with the case? The Speaker was about to reply, when Mr. Wise rose with warmth, and said – "He has discussed the whole abstract question of slavery: of slavery in Virginia: of slavery in my own district: and I now ask all my colleagues to retire with me from this hall." Mr. Slade reminded the Speaker that he had not yielded the floor; but his progress was impeded by the condition of the House, and the many exclamations of members, among whom Mr. Halsey, of Georgia, was heard calling on the Georgia delegation to withdraw with him; and Mr. Rhett was heard proclaiming, that the South Carolina members had already consulted together, and agreed to have a meeting at three o'clock in the committee room of the District of Columbia. Here the Speaker interposed to calm the House, standing up in his place and saying:

> "The gentleman from Vermont had been reminded by the Chair that the discussion of slavery, as existing within the States, was not in order; when he was desirous to read a paper and it was objected to, the Chair had stopped him; but the objection had been withdrawn, and Mr. Slade had been suffered to proceed; he was now about to read another paper, and objection was made; the Chair would, therefore, take the question on permitting it to be read."

Many members rose, all addressing the Chair at the same time, and many members leaving the hall, and a general scene of noise and confusion prevailing. Mr. Rhett succeeded in raising his voice above the roar of the tempest which raged in the House, and invited the entire delegations from all the slave States to retire from the hall forthwith, and meet in the committee room of the District of Columbia. The Speaker again essayed to calm the House, and again standing up in his place, he recapitulated his attempts to preserve order, and vindicated the correctness of his own conduct – seemingly impugned by many. What his personal feelings were on the subject (he was from a slave State), might easily be conjectured. He had endeavored to enforce the rules. Had it been in his power to restrain the discussion, he should promptly have exercised the power; but it was not. Mr. Slade, continuing, said the paper which he wished to read was of the continental Congress of 1774. The Speaker was about to put the question on leave, when Mr. Cost Johnson, of Maryland, inquired whether it would be in order to force the House to vote that the member from Vermont be not permitted to proceed? The Speaker replied it would not. Then Mr. James J. McKay, of North Carolina – a clear, coolheaded, sagacious man – interposed the objection which headed Mr. Slade. There was a rule of the House, that when a member was called to order, he should take his seat; and if decided to be out of order, he should not be allowed to speak again, except on the leave of

the House. Mr. McKay judged this to be a proper occasion for the enforcement of that rule; and stood up and said:

> "That the gentleman had been pronounced out of order in discussing slavery in the States; and the rule declared that when a member was so pronounced by the Chair, he should take his seat, and if any one objected to his proceeding again, he should not do so, unless by leave of the House. Mr. McKay did now object to the gentleman from Vermont proceeding any farther."

Redoubled noise and confusion ensued – a crowd of members rising and speaking at once – who eventually yielded to the resounding blows of the Speaker's hammer upon the lid of his desk, and his apparent desire to read something to the House, as he held a book (recognized to be that of the rules) in his hand. Obtaining quiet, so as to enable himself to be heard, he read the rule referred to by Mr. McKay; and said that, as objection had now, for the first time, been made under that rule to the gentleman's resuming his speech, the Chair decided that he could not do so without the leave of the House. Mr. Slade attempted to go on: the Speaker directed him to take his seat until the question of leave should be put. Then, Mr. Slade, still keeping on his feet, asked leave to proceed as in order, saying he would not discuss slavery in Virginia. On that question Mr. Allen, of Vermont, asked the yeas and nays. Mr. Rencher, of North Carolina, moved an adjournment. Mr. Adams, and many others, demanded the yeas and nays on this motion, which were ordered, and resulted in 106 yeas, and 63 nays – some fifty or sixty members having withdrawn. This opposition to adjournment was one of the worst features of that unhappy day's work – the only effect of keeping the House together being to increase irritation, and multiply the chances for an outbreak. From the beginning Southern members had been in favor of it, and essayed to accomplish it, but were prevented by the tenacity with which Mr. Slade kept possession of the floor: and now, at last, when it was time to adjourn any way – when the House was in a condition in which no good could be expected, and great harm might be apprehended, there were sixty-three members – being nearly one-third of the House – willing to continue it in session. They were:

> "Messrs. Adams, Alexander, H. Allen, J. W. Allen, Aycrigg, Bell, Biddle, Bond, Borden, Briggs, Wm. B. Calhoun, Coffin, Corwin, Cranston, Curtis, Cushing, Darlington, Davies, Dunn, Evans, Everett, Ewing I. Fletcher, Fillmore, Goode, Grennell, Haley, Hall, Hastings, Henry, Herod, Hoffman, Lincoln, Marvin, S. Mason, Maxwell, McKennan, Milligan, M. Morris, C. Morris, Naylor, Noyes, Ogle, Parmenter, Patterson, Peck, Phillips, Potts, Potter, Rariden, Randolph, Reed, Ridgway, Russel, Sheffer, Sibley, Slade, Stratton, Tillinghast, Toland, A. S. White, J. White, E. Whittlesey – 63."

The House then stood adjourned; and as the adjournment was being pronounced, Mr. Campbell of South Carolina, stood up on a chair, and calling for the attention of members, said:

> "He had been appointed, as one of the Southern delegation, to announce that all those gentlemen who represented slaveholding States, were invited to attend the meeting now being held in the District committee room."

Members from the slave-holding States had repaired in large numbers to the room in the basement, where they were invited to meet. Various passions agitated them – some violent. Extreme propositions were suggested, of which Mr. Rhett, of South Carolina, in a letter to his constituents, gave a full account of his own – thus:

> "In a private and friendly letter to the editor of the Charleston Mercury amongst other events accompanying the memorable secession of the Southern members from the hall of the House of Representatives, I stated to him, that I had prepared two resolutions, drawn as amendments to the motion of the member from

> Vermont, whilst he was discussing the institution of slavery in the South, 'declaring, that the constitution having failed to protect the South in the peaceable possession and enjoyment of their rights and peculiar institutions, it was expedient that the Union should be dissolved; and the other, appointing a committee of two members from each State, to report upon the best means of peaceably dissolving it.' They were intended as amendments to a motion, to refer with instructions to report a bill, abolishing slavery in the District of Columbia. I expected them to share the fate, which inevitably awaited the original motion, so soon as the floor could have been obtained, viz., to be laid upon the table. My design in presenting them, was, to place before Congress and the people, what, in my opinion, was the true issue upon this great and vital question; and to point out the course of policy by which it should be met by the Southern States."

But extreme counsels did not prevail. There were members present, who well considered that, although the provocation was great, and the number voting for such a firebrand motion was deplorably large, yet it was but little more than the one-fourth of the House, and decidedly less than one half of the members from the free States: so that, even if left to the free State vote alone, the motion would have been rejected. But the motion itself, and the manner in which it was supported, was most reprehensible – necessarily leading to disorder in the House, the destruction of its harmony and capacity for useful legislation, tending to a sectional segregation of the members, the alienation of feeling between the North and the South; and alarm to all the slaveholding States. The evil required a remedy, but not the remedy of breaking up the Union; but one which might prevent the like in future, while administering a rebuke upon the past. That remedy was found in adopting a proposition to be offered to the House, which, if agreed to, would close the door against any discussion upon abolition petitions in future, and assimilate the proceedings of the House, in that particular, to those of the Senate. This proposition was put into the hands of Mr. Patton, of Virginia, to be offered as an amendment to the rules at the opening of the House the next morning. It was in these words:

> "*Resolved*, That all petitions, memorials, and papers, touching the abolition of slavery or the buying, selling, or transferring of slaves, in any State, District, or Territory, of the United States, be laid on the table, without being debated, printed, read, or referred, and that no further action whatever shall be had thereon."

Accordingly, at the opening of the House, Mr. Patton asked leave to submit the resolution – which was read for information. Mr. Adams objected to the grant of leave. Mr. Patton then moved a suspension of the rules – which motion required two-thirds to sustain it; and, unless obtained, this salutary remedy for an alarming evil (which was already in force in the Senate) could not be offered. It was a test motion, and on which the opponents of abolition agitation in the House required all their strength: for unless two to one, they were defeated. Happily the two to one were ready, and on taking the yeas and nays, demanded by an abolition member (to keep his friends to the track, and to hold the free State anti-abolitionists to their responsibility at home), the result stood 135 yeas to 60 nays – the full two-thirds, and fifteen over. The yeas on this important motion, were:

> Messrs. Hugh J. Anderson, John T. Andrews, Charles G. Atherton, William Beatty, Andrew Beirne, John Bell, Bennet Bicknell, Richard Biddle, Samuel Birdsall, Ratliff Boon, James W. Bouldin, John C. Brodhead, Isaac H. Bronson, Andrew D. W. Bruyn, Andrew Buchanan, John Calhoun, C. C. Cambreleng, Wm. B. Campbell, John Campbell, Timothy J. Carter, Wm. B. Carter, Zadok Casey, John Chambers, John Chaney, Reuben Chapman, Richard Cheatham, Jonathan Cilley, John F. H. Claiborne, Jesse F. Cleaveland, Wm. K. Clowney, Walter Coles, Thomas Corwin, Robert Craig, John W. Crocket, Samuel Cushman, Edmund Deberry, John I. De Graff, John Dennis, George C. Dromgoole, John Edwards, James

Farrington, John Fairfield, Jacob Fry, jr., James Garland, James Graham, Seaton Grantland, Abr'm P. Grant, William J. Graves. Robert H. Hammond, Thomas L. Hamer, James Harlan, Albert G. Harrison, Richard Hawes, Micajah T. Hawkins, Charles E. Haynes, Hopkins Holsey, Orrin Holt, George W. Hopkins, Benjamin C. Howard, Edward B. Hubley, Jabez Jackson, Joseph Johnson, Wm. Cost Johnson, John W. Jones, Gouverneur Kemble, Daniel Kilgore, John Klingensmith, jr., Joab Lawler, Hugh S. Legare, Henry Logan, Francis S. Lyon, Francis Mallory, James M. Mason, Joshua L. Martin, Abram P. Maury, Wm. L. May, James J. McKay, Robert McClellan, Abraham McClelland, Charles McClure, Isaac McKim, Richard H. Menefee, Charles F. Mercer, Wm. Montgomery, Ely Moore, Wm. S. Morgan, Samuel W. Morris, Henry A. Muhlenberg, John L. Murray, Wm. H. Noble, John Palmer, Amasa J. Parker, John M. Patton, Lemuel Paynter, Isaac S. Pennybacker, David Petrikin, Lancelot Phelps, Arnold Plumer, Zadock Pratt, John H. Prentiss, Luther Reily, Abraham Rencher, John Robertson, Samuel T. Sawyer, Augustine H. Shepperd, Charles Shepard, Ebenezer J. Shields, Matthias Sheplor, Francis O. J. Smith, Adam W. Snyder, Wm. W. Southgate, James B. Spencer, Edward Stanly, Archibald Stuart, Wm. Stone, John Taliaferro, Wm. Taylor, Obadiah Titus, Isaac Toucey, Hopkins L. Turney, Joseph R. Underwood, Henry Vail, David D. Wagener, Taylor Webster, Joseph Weeks, Albert S. White, John White, Thomas T. Whittlesey, Lewis Williams, Sherrod Williams, Jared W. Williams, Joseph L. Williams, Christ'r H. Williams, Henry A. Wise, Archibald Yell.

The nays were:

Messrs. John Quincy Adams, James Alexander, jr., Heman Allen, John W. Allen, J. Banker Aycrigg, Wm. Key Bond, Nathaniel B. Borden, George N. Briggs, Wm. B. Calhoun, Charles D. Coffin, Robert B. Cranston, Caleb Cushing, Edward Darlington, Thomas Davee, Edward Davies, Alexander Duncan, George H. Dunn, George Evans, Horace Everett, John Ewing, Isaac Fletcher, Millard Filmore, Henry A. Foster, Patrick G. Goode, George Grennell, jr., Elisha Haley, Hiland Hall, Alexander Harper, Wm. S. Hastings, Thomas Henry, Wm. Herod, Samuel Ingham, Levi Lincoln, Richard P. Marvin, Samson Mason, John P. B. Maxwell, Thos. M. T. McKennan, Mathias Morris, Calvary Morris, Charles Naylor, Joseph C. Noyes, Charles Ogle, Wm. Parmenter, Wm. Patterson, Luther C. Peck, Stephen C. Phillips, David Potts, jr., James Rariden, Joseph F. Randolph, John Reed, Joseph Ridgway, David Russell, Daniel Sheffer, Mark H. Sibley, Wm. Slade, Charles C. Stratton, Joseph L. Tillinghast, George W. Toland, Elisha Whittlesey, Thomas Jones Yorke.

This was one of the most important votes ever delivered in the House. Upon its issue depended the quiet of the House on one hand, or on the other, the renewal, and perpetuation of the scenes of the day before – ending in breaking up all deliberation, and all national legislation. It was successful, and that critical step being safely over, the passage of the resolution was secured – the free State friendly vote being itself sufficient to carry it: but, although the passage of the resolution was secured, yet resistance to it continued. Mr. Patton rose to recommend his resolution as a peace offering, and to prevent further agitation by demanding the previous question. He said:

"He had offered this resolution in the spirit of peace and harmony. It involves (said Mr. P.), so far as I am concerned, and so far as concerns some portion of the representatives of the slaveholding States, a concession; a concession which we make for the sake of peace, harmony, and union. We offer it in the hope that it may allay, not exasperate excitement; we desire to extinguish, not to kindle a flame in the country. In that spirit, sir, without saying one word in the way of discussion;

> without giving utterance to any of those emotions which swell in my bosom at the recollection of what took place here yesterday, I shall do what I have never yet done since I have been a member of this House, and which I have very rarely sustained, when done by others: I move the previous question."

Then followed a scene of disorder, which thus appears in the Register of Debates:

> "Mr. Adams rose and said. Mr. Speaker, the gentleman precedes his resolution – (Loud cries of 'Order! order!' from all parts of the hall.) Mr. A. He preceded it with remarks – ('Order! order!')
>
> "The Chair reminded the gentleman that it was out of order to address the House after the demand for the previous question.
>
> "Mr. Adams. I ask the House – (continued cries of 'Order!' which completely drowned the honorable member's voice.)"

Order having been restored, the next question was – "Is the demand for the previous question seconded?" – which seconding would consist of a majority of the whole House – which, on a division, quickly showed itself. Then came the further question – "*Shall the main question be now put?*" – on which the yeas and nays were demanded, and taken; and ended in a repetition of the vote of the same 63 against it. The main question was then put, and carried; but again, on yeas and nays, to hold free State members to their responsibility; showing the same 63 in the negative, with a few additional votes from free State members, who, having staked themselves on the vital point of suspending the rules, saw no use in giving themselves further trouble at home, by giving an unnecessary vote in favor of stifling abolition debate. In this way, the ranks of the 63 were increased to 74.

Thus was stifled, and in future prevented in the House, the inflammatory debates on these disturbing petitions. It was the great session of their presentation – being offered by hundreds, and signed by hundreds of thousands of persons – many of them women, who forgot their sex and their duties, to mingle in such inflammatory work; some of them clergymen, who forgot their mission of peace, to stir up strife among those who should be brethren. Of the pertinacious 63, who backed Mr. Slade throughout, the most notable were Mr. Adams, who had been President of the United States – Mr. Fillmore, who became so – and Mr. Caleb Cushing, who eventually became as ready to abolish all impediments to the general diffusion of slavery, as he then was to abolish slavery itself in the District of Columbia. It was a portentous contest. The motion of Mr. Slade was, not for an inquiry into the expediency of abolishing slavery in the District of Columbia (a motion in itself sufficiently inflammatory), but to get the command of the House to bring in a bill for that purpose – which would be a decision of the question. His motion failed. The storm subsided; and very few of the free State members who had staked themselves on the issue, lost any thing among their constituents for the devotion which they had shown to the Union.

CHAPTER XXXVII.
ABOLITIONISTS CLASSIFIED BY MR. CLAY ULTRAS DENOUNCED: SLAVERY AGITATORS NORTH AND SOUTH EQUALLY DENOUNCED AS DANGEROUS TO THE UNION

"It is well known to the Senate, said Mr. Clay, that I have thought that the most judicious course with abolition petitions has not been of late pursued by Congress. I have believed that it would have been wisest to have received and referred them, without opposition, and to have reported against their object in a calm and dispassionate and argumentative appeal to the good sense of the whole community. It has been supposed, however, by a majority of Congress that it was most expedient either not to receive the petitions at all, or, if formally received, not to act definitively upon them. There is no substantial difference between these opposite opinions, since both look to an absolute rejection of the prayer of the petitioners. But there is a great difference in the form of proceeding; and, Mr. President, some experience in the conduct of human affairs has taught me to believe that a neglect to observe established forms is often attended with more mischievous consequences than the infliction of a positive injury. We all know that, even in private life, a violation of the existing usages and ceremonies of society cannot take place without serious prejudice. I fear, sir, that the abolitionists have acquired a considerable apparent force by blending with the object which they have in view a collateral and totally different question arising out of an alleged violation of the right of petition. I know full well, and take great pleasure in testifying, that nothing was remoter from the intention of the majority of the Senate, from which I differed, than to violate the right of petition in any case in which, according to its judgment, that right could be constitutionally exercised, or where the object of the petition could be safely or properly granted. Still, it must be owned that the abolitionists have seized hold of the fact of the treatment which their petitions have received in Congress, and made injurious impressions upon the minds of a large portion of the community. This, I think, might have been avoided by the course which I should have been glad to have seen pursued.

"And I desire now, Mr. President, to advert to some of those topics which I think might have been usefully embodied in a report by a committee of the Senate, and which, I am persuaded, would have checked the progress, if it had not altogether arrested the efforts of abolition. I am sensible, sir, that this work would have been accomplished with much greater ability, and with much happier effect, under the auspices of a committee, than it can be by me. But, anxious as I always am to contribute whatever is in my power to the harmony, concord, and happiness of this great people, I feel myself irresistibly impelled to do whatever is in my power, incompetent as I feel myself to be, to dissuade the public from continuing to agitate a subject fraught with the most direful consequences.

"There are three classes of persons opposed, or apparently opposed, to the continued existence of slavery in the United States. The first are those who, from sentiments of philanthropy and humanity, are conscientiously opposed to the existence of slavery, but who are no less opposed, at the same time, to any disturbance of the peace and tranquillity of the Union, or the infringement of the powers of the States composing the confederacy. In this class may be comprehended that peaceful and exemplary society of 'Friends,' one of whose established maxims is, an abhorrence of war in all its forms, and the cultivation of peace and good-will amongst mankind. The next class consists of apparent abolitionists – that is, those who, having been persuaded that the right of petition has been violated by Congress, co-operate with the abolitionists for the sole purpose of asserting and vindicating that right. And the third class are the real ultra-abolitionists, who are resolved to persevere in the pursuit of their object at all hazards, and without regard to any consequences, however

calamitous they may be. With them the rights of property are nothing; the deficiency of the powers of the general government is nothing; the acknowledged and incontestable powers of the States are nothing; civil war, a dissolution of the Union, and the overthrow of a government in which are concentrated the fondest hopes of the civilized world, are nothing. A single idea has taken possession of their minds, and onward they pursue it, overlooking all barriers, reckless and regardless of all consequences. With this class, the immediate abolition of slavery in the District of Columbia, and in the territory of Florida, the prohibition of the removal of slaves from State to State, and the refusal to admit any new State, comprising within its limits the institution of domestic slavery, are but so many means conducing to the accomplishment of the ultimate but perilous end at which they avowedly and boldly aim; are but so many short stages in the long and bloody road to the distant goal at which they would finally arrive. Their purpose is abolition, universal abolition, peaceably if it can, forcibly if it must. Their object is no longer concealed by the thinnest veil; it is avowed and proclaimed. Utterly destitute of constitutional or other rightful power, living in totally distinct communities, as alien to the communities in which the subject on which they would operate resides, so far as concerns political power over that subject, as if they lived in Africa or Asia, they nevertheless promulgate to the world their purpose to be to manumit forthwith, and without compensation, and without moral preparation, three millions of negro slaves, under jurisdictions altogether separated from those under which they live.

"I have said that immediate abolition of slavery in the District of Columbia and in the territory of Florida, and the exclusion of new States, were only means towards the attainment of a much more important end. Unfortunately, they are not the only means. Another, and much more lamentable one is that which this class is endeavoring to employ, of arraying one portion against another portion of the Union. With that view, in all their leading prints and publications, the alleged horrors of slavery are depicted in the most glowing and exaggerated colors, to excite the imaginations and stimulate the rage of the people in the free States against the people in the slave States. The slaveholder is held up and represented as the most atrocious of human beings. Advertisements of fugitive slaves to be sold are carefully collected and blazoned forth, to infuse a spirit of detestation and hatred against one entire and the largest section of the Union. And like a notorious agitator upon another theatre (Mr. Daniel O'Connell), they would hunt down and proscribe from the pale of civilized society the inhabitants of that entire section. Allow me, Mr. President, to say, that whilst I recognize in the justly wounded feelings of the Minister of the United States at the court of St. James much to excuse the notice which he was provoked to take of that agitator, in my humble opinion, he would better have consulted the dignity of his station and of his country in treating him with contemptuous silence. That agitator would exclude us from European society – he who himself can only obtain a contraband admission, and is received with scornful repugnance into it! If he be no more desirous of our society than we are of his, he may rest assured that a state of eternal non-intercourse will exist between us. Yes, sir, I think the American Minister would have best pursued the dictates of true dignity by regarding the language of that member of the British House of Commons as the malignant ravings of the plunderer of his own country, and the libeller of a foreign and kindred people.

"But the means to which I have already adverted are not the only ones which this third class of ultra-Abolitionists are employing to effect their ultimate end. They began their operations by professing to employ only persuasive means in appealing to the humanity, and enlightening the understandings, of the slaveholding portion of the Union. If there were some kindness in this avowed motive, it must be acknowledged that there was rather a presumptuous display also of an assumed superiority in intelligence and knowledge. For some time they continued to make these appeals to our duty and our interest; but impatient with the slow influence of their logic upon our stupid minds, they recently resolved to change their system of action. To the agency of their powers of persuasion, they now propose to substitute the powers of the ballot box; and he must be blind to what is passing

before us, who does not perceive that the inevitable tendency of their proceedings is, if these should be found insufficient, to invoke, finally, the more potent powers of the bayonet.

"Mr. President, it is at this alarming stage of the proceedings of the ultra-Abolitionists that I would seriously invite every considerate man in the country solemnly to pause, and deliberately to reflect, not merely on our existing posture, but upon that dreadful precipice down which they would hurry us. It is because these ultra-Abolitionists have ceased to employ the instruments of reason and persuasion, have made their cause political, and have appealed to the ballot box, that I am induced, upon this occasion, to address you.

"There have been three epochs in the history of our country at which the spirit of abolition displayed itself. The first was immediately after the formation of the present federal government. When the constitution was about going into operation, its powers were not well understood by the community at large, and remained to be accurately interpreted and defined. At that period numerous abolition societies were formed, comprising not merely the Society of Friends, but many other good men. Petitions were presented to Congress, praying for the abolition of slavery. They were received without serious opposition, referred, and reported upon by a committee. The report stated that the general government had no power to abolish slavery as it existed in the several States, and that these States themselves had exclusive jurisdiction over the subject. The report was generally acquiesced in, and satisfaction and tranquillity ensued; the abolition societies thereafter limiting their exertions, in respect to the black population, to offices of humanity within the scope of existing laws.

"The next period when the subject of slavery and abolition, incidentally, was brought into notice and discussion, was on the memorable occasion of the admission of the State of Missouri into the Union. The struggle was long, strenuous, and fearful. It is too recent to make it necessary to do more than merely advert to it, and to say, that it was finally composed by one of those compromises characteristic of our institutions, and of which the constitution itself is the most signal instance.

"The third is that in which we now find ourselves, and to which various causes have contributed. The principal one, perhaps, is British emancipation in the islands adjacent to our continent. Confounding the totally different cases of the powers of the British Parliament and those of our Congress, and the totally different conditions of the slaves in the British West India Islands and the slaves in the sovereign and independent States of this confederacy, superficial men have inferred from the undecided British experiment the practicability of the abolition of slavery in these States. All these are different. The powers of the British Parliament are unlimited, and often described to be omnipotent. The powers of the American Congress, on the contrary, are few, cautiously limited, scrupulously excluding all that are not granted, and above all, carefully and absolutely excluding all power over the existence or continuance of slavery in the several States. The slaves, too, upon which British legislation operated, were not in the bosom of the kingdom, but in remote and feeble colonies, having no voice in Parliament. The West India slaveholder was neither representative, or represented in that Parliament. And while I most fervently wish complete success to the British experiment of the West India emancipation, I confess that I have fearful forebodings of a disastrous termination. Whatever it may be, I think it must be admitted that, if the British Parliament treated the West India slaves as freemen, it also treated the West India freemen as slaves. If instead of these slaves being separated by a wide ocean from the parent country, three or four millions of African negro slaves had been dispersed over England, Scotland, Wales and Ireland, and their owners had been members of the British Parliament – a case which would have presented some analogy to our own country – does any one believe that it would have been expedient or practical to have emancipated them, leaving them to remain, with all their embittered feelings, in the United kingdom, boundless as the powers of the British government are?

"Other causes have conspired with the British example to produce the existing excitement from abolition. I say it with profound regret, and with no intention to occasion irritation here or elsewhere, that there are persons in both parts of the Union who have sought to mingle abolition with politics,

and to array one portion of the Union against the other. It is the misfortune of free countries that, in high party times, a disposition too often prevails to seize hold of every thing which can strengthen the one side or weaken the other. Prior to the late election of the present President of the United States, he was charged with being an abolitionist, and abolition designs were imputed to many of his supporters. Much as I was opposed to his election, and am to his administration, I neither shared in making or believing the truth of the charge. He was scarcely installed in office before the same charge was directed against those who opposed his election.

"It is not true – I rejoice that it is not true – that either of the two great parties in this country has any design or aim at abolition. I should deeply lament if it were true. I should consider, if it were true, that the danger to the stability of our system would be infinitely greater than any which does, I hope, actually exist. Whilst neither party can be, I think, justly accused of any abolition tendency or purpose, both have profited, and both been injured, in particular localities, by the accession or abstraction of abolition support. If the account were fairly stated, I believe the party to which I am opposed has profited much more, and been injured much less, than that to which I belong. But I am far, for that reason, from being disposed to accuse our adversaries of abolitionism."

CHAPTER XXXVIII.
BANK OF THE UNITED STATES: RESIGNATION OF MR. BIDDLE: FINAL SUSPENSION

On the first of January of this year this Bank made an exposition of its affairs to the General Assembly of Pennsylvania, as required by its charter, in which its assets aggregated $66,180,396; and its liabilities aggregated $33,180,855: the exposition being verified by the usual oaths required on such occasions.

On the 30th of March following Mr. Biddle resigned his place as president of the Bank, giving as a reason for it that, "*the affairs of the institution were in a state of great prosperity, and no longer needed his services.*"

On the same day the board of directors in accepting the resignation, passed a resolve declaring that the President Biddle had left the institution "*prosperous in all its relations, strong in its ability to promote the interest of the community, cordial with other banks, and secure in the esteem and respect of all connected with it at home or abroad.*"

On the 9th of October the Bank closed her doors upon her creditors, under the mild name of suspension – never to open them again.

In the month of April preceding, when leaving Washington to return to Missouri, I told the President there would be another suspension, headed by the Bank of the United States, before we met again: at my return in November it was his first expression to remind me of that conversation; and to say it was the second time I had foreseen these suspensions, and warned him of them. He then jocularly said, don't predict so any more. I answered I should not; for it was the last time this Bank would suspend.

Still dominating over the moneyed systems of the South and West, this former colossal institution was yet able to carry along with her nearly all the banks of one-half of the Union: and using her irredeemable paper against the solid currency of the New York and other Northern banks, and selling fictitious bills on Europe, she was able to run them hard for specie – curtail their operations – and make panic and distress in the money market. At the same time by making an imposing exhibition of her assets, arranging a reciprocal use of their notes with other suspended banks, keeping up an apparent par value for her notes and stocks by fictitious and collusive sales and purchases, and above all, by her political connection with the powerful opposition – she was enabled to keep the field as a bank, and as a political power: and as such to act an effective part in the ensuing presidential election. She even pretended to have become stronger since the time when Mr. Biddle left her so prosperous; and at the next exposition of her affairs to the Pennsylvania legislature (Jan. 1, 1840), returned her assets at $74,603,142; her liabilities at $36,959,539, and her surplus at $37,643,603. This surplus, after paying all liabilities, showed the stock to be worth a premium of $2,643,603. And all this duly sworn to.

CHAPTER XXXIX.
FIRST SESSION TWENTY-SIXTH CONGRESS: MEMBERS: ORGANIZATION: POLITICAL MAP OF THE HOUSE

Members of the Senate

New Hampshire. – Henry Hubbard, Franklin Pierce.
Maine. – John Ruggles, Reuel Williams.
Massachusetts. – John Davis. Daniel Webster.
Vermont. – Sam'l Prentiss, Sam'l S. Phelps.
Rhode Island. – Nehemiah R. Knight, N. F. Dixon.
Connecticut. – Thaddeus Betts, Perry Smith.
New York. – Silas Wright, N. P. Tallmadge.
New Jersey. – Sam'l L. Southard, Garret D. Wall.
Pennsylvania. – James Buchanan, Daniel Sturgeon.
Delaware. – Thomas Clayton.
Maryland. – John S. Spence, Wm. D. Merrick.
Virginia. – William H. Roane.
North Carolina. – Bedford Brown, R. Strange.
South Carolina. – John C. Calhoun, Wm. Campbell Preston.
Georgia. – Wilson Lumpkin, Alfred Cuthbert.
Kentucky. – Henry Clay, John J. Crittenden.
Tennessee. – Hugh L. White, Alex. Anderson.
Ohio. – William Allen, Benjamin Tappan.
Indiana. – Oliver H. Smith, Albert S. White.
Mississippi. – Robert J. Walker, John Henderson.
Louisiana. – Robert C. Nicholas, Alexander Mouton.
Illinois. – John M. Robinson, Richard M. Young.
Alabama. – Clement C. Clay, Wm. Rufus King.
Missouri. – Thomas H. Benton, Lewis F. Linn.
Arkansas. – William S. Fulton, Ambrose Sevier.
Michigan. – John Norvell, Augustus S. Porter.

Members of the House of Representatives

Maine. – Hugh J. Anderson, Nathan Clifford, Thomas Davee, George Evans, Joshua A. Lowell, Virgil D. Parris, Benjamin Randall, Albert Smith.

New Hampshire. – Charles G. Atherton,
Edmund Burke, Ira A. Eastman, Tristram Shaw,
Jared W. Williams.
Connecticut. – Joseph Trumbull, William
L. Storrs, Thomas W. Williams, Thomas B.
Osborne, Truman Smith, John H. Brockway.
Vermont. – Hiland Hall, William Slade,
Horace Everett, John Smith, Isaac Fletcher.
Massachusetts. – Abbot Lawrence, Leverett
Saltonstall, Caleb Cushing, William Parmenter,
Levi Lincoln, [Vacancy,] George N. Briggs,
William B. Calhoun, William S. Hastings, Henry
Williams, John Reed, John Quincy Adams.
Rhode Island. – Chosen by general ticket.
Joseph L. Tillinghast, Robert B. Cranston.
New York. – Thomas B. Jackson, James de la Montayne, Ogden Hoffman, Edward Curtis,
Moses H. Grinnell, James Monroe, Gouverneur
Kemble, Charles Johnson, Nathaniel Jones,
Rufus Palen, Aaron Vanderpoel, John Ely,
Hiram P. Hunt, Daniel D. Barnard, Anson
Brown, David Russell, Augustus C. Hand, John
Fine, Peter J. Wagoner, Andrew W. Doig,
John G. Floyd, David P. Brewster, Thomas C.
Crittenden, John H. Prentiss, Judson Allen,
John C. Clark, S. B. Leonard, Amasa Dana,
Edward Rogers, Nehemiah H. Earl, Christopher
Morgan, Theron R. Strong, Francis P. Granger,
Meredith Mallory, Seth M. Gates, Luther C.
Peck, Richard P. Marvin, Millard Fillmore,
Charles F. Mitchell.
New Jersey. – Joseph B. Randolph, Peter
D. Vroom, Philemon Dickerson, William R.
Cooper, Daniel B. Ryall, Joseph Kille.
Pennsylvania. – William Beatty, Richard
Biddle, James Cooper, Edward Davies, John
Davis, John Edwards, Joseph Fornance, John
Galbraith, James Gerry, Robert H. Hammond,
Thomas Henry, Enos Hook, Francis James,
George M. Keim, Isaac Leet, Albert G. Marchand,
Samuel W. Morris, George McCulloch,
Charles Naylor, Peter Newhard, Charles Ogle,
Lemuel Paynter, David Petrikin, William S.
Ramsey, John Sergeant, William Simonton,
George W. Toland, David D. Wagener.
Delaware. – Thomas Robinson, jr.
Maryland. – James Carroll, John Dennis,
Solomon Hillen, jr., Daniel Jenifer, William
Cost Johnson, Francis Thomas, Philip F.
Thomas, John T. H. Worthington.

Virginia. – Linn Banks, Andrew Beirne, John M. Botts, Walter Coles, Robert Craig, George C. Dromgoole, James Garland, William L. Goggin, John Hill, Joel Holleman, George W. Hopkins, Robert M. T. Hunter, Joseph Johnson, John W. Jones, William Lucas, Charles F. Mercer, Francis E. Rives, Green B. Samuels, Lewis Steinrod, John Taliaferro, Henry A. Wise.
North Carolina. – Jesse A. Bynum, Henry W. Connor, Edmund Deberry, Charles Fisher, James Graham, Micajah T. Hawkins, John Hill, James J. McKay, William Montgomery, Kenneth Rayner, Charles Shepard, Edward Stanly, Lewis Williams.
South Carolina. – Sampson H. Butler, John Campbell, John K. Griffin, Isaac E. Holmes, Francis W. Pickens, R. Barnwell Rhett, James Rogers, Thomas B. Sumter, Waddy Thompson, jr.
Georgia. – Julius C. Alford, Edward J. Black, Walter T. Colquitt, Mark A. Cooper, William C. Dawson, Richard W. Habersham, Thomas B. King, Eugenius A. Nisbet, Lott Warren.
Alabama. – R. H. Chapman, David Hubbard, George W. Crabb, Dixon H. Lewis, James Dillett.
Louisiana. – Edward D. White, Edward Chinn, Rice Garland.
Mississippi. – A. G. Brown, J. Thompson.
Missouri. – John Miller, John Jameson.
Arkansas. – Edward Cross.
Tennessee. – William B. Carter, Abraham McClellan, Joseph L. Williams, Julius W. Blackwell, Hopkins L. Turney, William B. Campbell, John Bell, Meredith P. Gentry, Harvey M. Watterson, Aaron V. Brown, Cave Johnson, John W. Crockett, Christopher H. Williams.
Kentucky. – Linn Boyd, Philip Triplett, Joseph Underwood, Sherrod Williams, Simeon W. Anderson, Willis Green, John Pope, William J. Graves, John White, Richard Hawes, L. W. Andrews, Garret Davis, William O. Butler.
Ohio. – Alexander Duncan, John B. Weller, Patrick G. Goode, Thomas Corwin, William Doane, Calvary Morris, William K. Bond, Joseph Ridgway, William Medill, Samson Mason, Isaac Parish, Jonathan Taylor, D. P. Leadbetter, George Sweeny, John W. Allen, Joshua

R. Giddings, John Hastings, D. A. Starkweather,
Henry Swearingen.
Michigan. – Isaac E. Crary.
Indiana. – Geo. H. Proffit, John Davis, John
Carr, Thomas Smith, James Rariden, Wm. W.
Wick, T. A. Howard.
Illinois. – John Reynolds, Zadok Casey,
John T. Stuart.

The organization of the House was delayed for many days by a case of closely and earnestly contested election from the State of New Jersey. Five citizens, to wit: John B. Aycrigg, John B. Maxwell, William Halsted, Thomas C. Stratton, Thomas Jones Yorke, had received the governor's certificate as duly elected: five other citizens, to wit: Philemon Dickerson, Peter D. Vroom, Daniel B. Ryall, William R. Cooper, John Kille, claimed to have received a majority of the lawful votes given in the election: and each set demanded admission as representatives. No case of contested election was ever more warmly disputed in the House. The two sets of claimants were of opposite political parties: the House was nearly divided: five from one side and added to the other would make a difference of ten votes: and these ten might determine its character. The first struggle was on the part of the members holding the certificates claiming to be admitted, and to act as members, until the question of *right* should be decided; and as this would give them a right to vote for speaker, it might have had the effect of deciding that important election: and for this point a great struggle was made by the whig party. The democracy could not ask for the immediate admission of the five democratic claimants, as they only presented a case which required to be examined before it could be decided. Their course was to exclude both sets, and send them equally before the committee of contested elections; and in the mean time, a resolution to proceed with the organization of the House was adopted after an arduous and protracted struggle, in which every variety of parliamentary motion was exhausted by each side to accomplish its purpose; and, at the end of three months it was referred to the committee to report which five of the ten contestants had received the greatest number of legal votes. This was putting the issue on the rights of the voters – on the broad and popular ground of choice by the people: and was equivalent to deciding the question in favor of the democratic contestants, who held the certificate of the Secretary of State that the majority of votes returned to his office was in their favor, – counting the votes of some precincts which the governor and council had rejected for illegality in holding the elections. As the constitutional judge of the election, qualifications and returns of its own members, the House disregarded the decision of the governor and council; and, deferring to the representative principle, made the decision turn, not upon the conduct of the officers holding the election, but upon the rights of the voters.

This strenuous contest was not terminated until the 10th of March – nearly one hundred days from the time of its commencement. The five democratic members were then admitted to their seats. In the mean time the election for speaker had been brought on by a vote of 118 to 110 – the democracy having succeeded in bringing on the election after a total exhaustion of every parliamentary manœuvre to keep it off. Mr. John W. Jones, of Virginia, was the democratic nominee: Mr. Jno. Bell, of Tennessee, was nominated on the part of the whigs. The whole vote given in was 235, making 118 necessary to a choice. Of these, Mr. Jones received 118: Mr. Bell, 102. Twenty votes were scattered, of which 11, on the whig side, went to Mr. Dawson of Georgia; and 9 on the democratic side were thrown upon three southern members. Had any five of these nine voted for Mr. Jones, it would have elected him: while the eleven given to Mr. Dawson would not have effected the election of Mr. Bell. It was clear the democracy had the majority, for the contested election from New Jersey having been sent to a committee, and neither set of the contestants allowed to vote, the question became purely and simply one of party: but there was a fraction in each party which did not go with the party to which it belonged: and hence, with a majority in the House to bring on the election, and a majority

voting in it, the democratic nominee lacked five of the number requisite to elect him. The contest was continued through five successive ballotings without any better result for Mr. Jones, and worse for Mr. Bell; and it became evident that there was a fraction of each party determined to control the election. It became a question with the democratic party what to do? The fraction which did not go with the party were the friends of Mr. Calhoun, and although always professing democratically had long acted with the whigs, and had just returned to the body of the party against which they had been acting. The election was in their hands, and they gave it to be known that if one of their number was taken, they would vote with the body of the party and elect him: and Mr. Dixon H. Lewis, of Alabama, was the person indicated. The extreme importance of having a speaker friendly to the administration induced all the leading friends of Mr. Van Buren to go into this arrangement, and to hold a caucus to carry it into effect. The caucus was held: Mr. Lewis was adopted as the candidate of the party: and, the usual resolves of unanimity having been adopted, it was expected to elect him on the first trial. He was not, however, so elected; nor on the second trial; nor on the third; nor on any one up to the seventh: when, having never got a higher vote than Mr. Jones, and falling off to the one-half of it, he was dropped; and but few knew how the balk came to pass. It was thus: The writer of this View was one of a few who would not capitulate to half a dozen members, known as Mr. Calhoun's friends, long separated from the party, bitterly opposing it, just returning to it, and undertaking to govern it by constituting themselves into a balance wheel between the two nearly balanced parties. He preferred a clean defeat to any victory gained by such capitulation. He was not a member of the House, but had friends there who thought as he did; and these he recommended to avoid the caucus, and remain unbound by its resolves; and when the election came on, vote as they pleased: which they did: and enough of them throwing away their votes upon those who were no candidates, thus prevented the election of Mr. Lewis: and so returned upon the little fraction of pretenders the lesson which they had taught.

It was the same with the whig party. A fraction of its members refused to support the regular candidate of the party; and after many fruitless trials to elect him, he was abandoned – Mr. Robert M. T. Hunter, of Virginia, taken up, and eventually elected. He had voted with the whig party in the New Jersey election case – among the scattering in the votes for speaker; and was finally elected by the full whig vote, and a few of the scattering from the democratic ranks. He was one of the small band of Mr. Calhoun's friends; so that that gentleman succeeded in governing the whig election of speaker, after failing to govern that of the democracy.

In looking over the names of the candidates for speaker it will be seen that the whole were Southern men – no Northern man being at any time put in nomination, or voted for. And this circumstance illustrates a pervading system of action between the two sections from the foundation of the government – the southern going for the honors, the northern for the benefits of the government. And each has succeeded, but with the difference of a success in a solid and in an empty pursuit. The North has become rich upon the benefits of the government: the South has grown lean upon its honors.

This arduous and protracted contest for speaker, and where the issue involved the vital party question of the organization of the House, and where every member classified himself by a deliberate and persevering series of votes, becomes important in a political classification point of view, and is here presented in detail as the political map of the House – taking the first vote as showing the character of the whole.

1. Members voting for Mr. Jones: 113.

> Judson Allen, Hugh J. Anderson, Charles G. Atherton, Linn Banks, William Beatty, Andrew Beirne, Julius W. Blackwell, Linn Boyd, David P. Brewster, Aaron V. Brown, Albert G. Brown, Edmund Burke, Sampson H. Butler, William O. Butler, Jesse A. Bynum, John Carr, James Carroll, Zadok Casey, Reuben Chapman, Nathan Clifford, Walter Coles, Henry W. Connor, Robert Craig, Isaac E. Crary, Edward Cross, Amasa Dana, Thomas Davee, John Davis, John W. Davis, William Doan, Andrew W. Doig, George C. Dromgoole, Alexander Duncan, Nehemiah

H. Earl, Ira A. Eastman, John Ely, John Fine, Isaac Fletcher, John G. Floyd, Joseph Fornance, John Galbraith, James Gerry, Robert H. Hammond, Augustus C. Hand, John Hastings, Micajah T. Hawkins, John Hill of North Carolina, Solomon Hillen jr., Joel Holleman, Enos Hook, Tilghman A. Howard, David Hubbard, Thomas B. Jackson, John Jameson, Joseph Johnson, Cave Johnson, Nathaniel Jones, George M. Keim, Gouverneur Kemble, Daniel P. Leadbetter, Isaac Leet, Stephen B. Leonard, Dixon H. Lewis, Joshua A. Lowell, William Lucas, Abraham McLellan, George McCulloch, James J. McKay, Meredith Mallory, Albert G. Marchand, William Medill, John Miller, James D. L. Montanya, William Montgomery, Samuel W. Morris, Peter Newhard, Isaac Parrish, William Parmenter, Virgil D. Parris, Lemuel Paynter, David Petrikin, Francis W. Pickens, John H. Prentiss, William S. Ramsey, John Reynolds, R. Barnwell Rhett, Francis E. Rives, Thomas Robinson jr., Edward Rodgers, Green B. Samuels, Tristram Shaw, Charles Shepard, Albert Smith, John Smith, Thomas Smith, David A. Starkweather, Lewis Steenrod, Theron R. Strong, Henry Swearingen, George Sweeny, Jonathan Taylor, Francis Thomas, Philip F. Thomas, Jacob Thompson, Hopkins L. Turney, Aaron Vanderpoel, David D. Wagner, Harvey M. Watterson, John B. Weller, William W. Wick, Jared W. Williams, Henry Williams, John T. H. Worthington.

2. Members voting for Mr. Bell: 102.

John Quincy Adams, John W. Allen, Simeon H. Anderson, Landaff W. Andrews, Daniel D. Barnard, Richard Biddle, William K. Bond, John M. Botts, George N. Briggs, John H. Brockway, Anson Brown, William B. Calhoun, William B. Campbell, William B. Carter, Thomas W. Chinn, Thomas C. Chittenden, John C. Clark, James Cooper, Thomas Corwin, George W. Crabb, Robt. B. Cranston, John W. Crockett, Edward Curtis, Caleb Cushing, Edward Davies, Garret Davis, William C. Dawson, Edmund Deberry, John Dennis, James Dellet, John Edwards, George Evans, Horace Everett, Millard Fillmore, Rice Garland, Seth M. Gates, Meredith P. Gentry, Joshua R. Giddings, William L. Goggin, Patrick G. Goode, James Graham, Francis Granger, Willis Green, William J. Graves, Moses H. Grinnell, Hiland Hall, William S. Hastings, Richard Hawes, Thomas Henry, John Hill of Virginia, Ogden Hoffman, Hiram P. Hunt, Francis James, Daniel Jenifer, Charles Johnston, William Cost Johnson, Abbott Lawrence, Levi Lincoln, Richard P. Marvin, Samson Mason, Charles F. Mercer, Charles F. Mitchell, James Monroe, Christopher Morgan, Calvary Morris, Charles Naylor, Charles Ogle, Thomas B. Osborne, Rufus Palen, Luther C. Peck, John Pope, George H. Proffit, Benjamin Randall, Joseph F. Randolph, James Rariden, Kenneth Rayner, John Reed, Joseph Ridgway, David Russell, Leverett Saltonstall, John Sergeant, William Simonton, William Slade, Truman Smith, Edward Stanly, William L. Storrs, John T. Stuart, John Taliaferro, Joseph L. Tillinghast, George W. Toland, Philip Triplett, Joseph Trumbull, Joseph R. Underwood, Peter J. Wagner, Edward D. White, John White, Thomas W. Williams, Lewis Williams, Joseph L. Williams, Christopher H. Williams, Sherrod Williams, Henry A. Wise.

3. Scattering: 20.

The following named members voted for William C. Dawson, of Georgia.

Julius C. Alford, John Bell, Edward J. Black, Richard W. Habersham, George W. Hopkins, Hiram P. Hunt, William Cost Johnson, Thomas B. King, Eugenius A. Nisbet, Waddy Thompson, jr., Lott Warren.

The following named members voted for Dixon H. Lewis, of Alabama:

John Campbell, Mark A. Cooper, John K. Griffin, John W. Jones, Walter T. Colquitt.

The following named members voted for Francis W. Pickens, of South Carolina:

Charles Fisher, Isaac E. Holmes, Robert M. T. Hunter, James Rogers, Thomas B. Sumter. James Garland voted for George W. Hopkins, of Virginia. Charles Ogle voted for Robert M. T. Hunter, of Virginia.

CHAPTER XL.
FIRST SESSION OF THE TWENTY-SIXTH CONGRESS: PRESIDENT'S MESSAGE

The President met with firmness the new suspension of the banks of the southern and western half of the Union, headed by the Bank of the United States. Far from yielding to it he persevered in the recommendation of his great measures, found in their conduct new reasons for the divorce of Bank and State, and plainly reminded the delinquent institutions with a total want of the reasons for stopping payment which they had alleged two years before. He said:

> "It now appears that there are other motives than a want of public confidence under which the banks seek to justify themselves in a refusal to meet their obligations. Scarcely were the country and government relieved, in a degree, from the difficulties occasioned by the general suspension of 1837, when a partial one, occurring within thirty months of the former, produced new and serious embarrassments, though it had no palliation in such circumstances as were alleged in justification of that which had previously taken place. There was nothing in the condition of the country to endanger a well-managed banking institution; commerce was deranged by no foreign war; every branch of manufacturing industry was crowned with rich rewards; and the more than usual abundance of our harvests, after supplying our domestic wants, had left our granaries and storehouses filled with a surplus for exportation. It is in the midst of this, that an irredeemable and depreciated paper currency is entailed upon the people by a large portion of the banks. They are not driven to it by the exhibition of a loss of public confidence; or of a sudden pressure from their depositors or note-holders, but they excuse themselves by alleging that the current of business, and exchange with foreign countries, which draws the precious metals from their vaults, would require, in order to meet it, a larger curtailment of their loans to a comparatively small portion of the community, than it will be convenient for them to bear, or perhaps safe for the banks to exact. The plea has ceased to be one of necessity. Convenience and policy are now deemed sufficient to warrant these institutions in disregarding their solemn obligations. Such conduct is not merely an injury to individual creditors, but it is a wrong to the whole community, from whose liberality they hold most valuable privileges – whose rights they violate, whose business they derange, and the value of whose property they render unstable and insecure. It must be evident that this new ground for bank suspensions, in reference to which their action is not only disconnected with, but wholly independent of, that of the public, gives a character to their suspensions more alarming than any which they exhibited before, and greatly increases the impropriety of relying on the banks in the transactions of the government."

The President also exposed the dangerous nature of the whole banking system from its chain of connection and mutual dependence of one upon another, so as to make the misfortune or criminality of one the misfortune of all. Our country banks were connected with those of New York and Philadelphia: they again with the Bank of England. So that a financial crisis commencing in London extends immediately to our great Atlantic cities; and thence throughout the States to the most petty institutions of the most remote villages and counties: so that the lever which raised or sunk our country banks was in New York and Philadelphia, while they themselves were worked by a lever in London; thereby subjecting our system to the vicissitudes of English banking, and especially while we had

a national bank, which, by a law of its nature, would connect itself with the Bank of England. All this was well shown by the President, and improved into a reason for disconnecting ourselves from a moneyed system, which, in addition to its own inherent vices and fallibilities, was also subject to the vices, fallibilities, and even inimical designs of another, and a foreign system – belonging to a power, always our competitor in trade and manufactures – sometimes our enemy in open war.

> "Distant banks may fail, without seriously affecting those in our principal commercial cities; but the failure of the latter is felt at the extremities of the Union. The suspension at New York, in 1837, was every where, with very few exceptions, followed, as soon as it was known; that recently at Philadelphia immediately affected the banks of the South and West in a similar manner. This dependence of our whole banking system on the institutions in a few large cities, is not found in the laws of their organization, but in those of trade and exchange. The banks at that centre to which currency flows, and where it is required in payments for merchandise, hold the power of controlling those in regions whence it comes, while the latter possess no means of restraining them; so that the value of individual property, and the prosperity of trade, through the whole interior of the country, are made to depend on the good or bad management of the banking institutions in the great seats of trade on the seaboard. But this chain of dependence does not stop here. It does not terminate at Philadelphia or New York. It reaches across the ocean, and ends in London, the centre of the credit system. The same laws of trade, which give to the banks in our principal cities power over the whole banking system of the United States, subject the former, in their turn, to the money power in Great Britain. It is not denied that the suspension of the New York banks in 1837, which was followed in quick succession throughout the Union, was partly produced by an application of that power; and it is now alleged, in extenuation of the present condition of so large a portion of our banks, that their embarrassments have arisen from the same cause. From this influence they cannot now entirely escape, for it has its origin in the credit currencies of the two countries; it is strengthened by the current of trade and exchange, which centres in London, and is rendered almost irresistible by the large debts contracted there by our merchants, our banks, and our States. It is thus that an introduction of a new bank into the most distant of our villages, places the business of that village within the influence of the money power in England. It is thus that every new debt which we contract in that country, seriously affects our own currency, and extends over the pursuits of our citizens its powerful influence. We cannot escape from this by making new banks, great or small, State or National. The same chains which bind those now existing to the centre of this system of paper credit, must equally fetter every similar institution we create. It is only by the extent to which this system has been pushed of late, that we have been made fully aware of its irresistible tendency to subject our own banks and currency to a vast controlling power in a foreign land; and it adds a new argument to those which illustrate their precarious situation. Endangered in the first place by their own mismanagement, and again by the conduct of every institution which connects them with the centre of trade in our own country, they are yet subjected, beyond all this, to the effect of whatever measures, policy, necessity, or caprice, may induce those who control the credits of England to resort to. Is an argument required beyond the exposition of these facts, to show the impropriety of using our banking institutions as depositories of the public money? Can we venture not only to encounter the risk of their individual and mutual mismanagement, but, at the same time, to place our foreign and domestic policy entirely under the control of a foreign moneyed interest?

> To do so is to impair the independence of our government, as the present credit system has already impaired the independence of our banks. It is to submit all its important operations, whether of peace or war, to be controlled or thwarted at first by our own banks, and then by a power abroad greater than themselves. I cannot bring myself to depict the humiliation to which this government and people might be sooner or later reduced, if the means for defending their rights are to be made dependent upon those who may have the most powerful of motives to impair them."

These were sagacious views, clearly and strongly presented, and new to the public. Few had contemplated the evils of our paper system, and the folly and danger of depending upon it for currency, under this extended and comprehensive aspect; but all saw it as soon as it was presented; and this actual dependence of our banks upon that of England became a new reason for the governmental dissolution of all connection with them. Happily they were working that dissolution themselves, and producing that disconnection by their delinquencies which they were able to prevent Congress from decreeing. An existing act of Congress forbid the employment of any non-specie paying bank as a government depository, and equally forbid the use of its paper. They expected to coerce the government to do both: it did neither: and the disconnection became complete, even before Congress enacted it.

The President had recommended, in his first annual message, the passage of a pre-emption act in the settlement of the public lands, and of a graduation act to reduce the price of the lands according to their qualities, governed by the length of time they had been in market. The former of these recommendations had been acted upon, and became law; and the President had now the satisfaction to communicate its beneficial operation.

> "On a former occasion your attention was invited to various considerations in support of a pre-emption law in behalf of the settlers on the public lands; and also of a law graduating the prices for such lands as had long been in the market unsold, in consequence of their inferior quality. The execution of the act which was passed on the first subject has been attended with the happiest consequences, in quieting titles, and securing improvements to the industrious; and it has also, to a very gratifying extent, been exempt from the frauds which were practised under previous pre-emption laws. It has, at the same time, as was anticipated, contributed liberally during the present year to the receipts of the Treasury. The passage of a graduation law, with the guards before recommended, would also, I am persuaded, add considerably to the revenue for several years, and prove in other respects just and beneficial. Your early consideration of the subject is, therefore, once more earnestly requested."

The opposition in Congress, who blamed the administration for the origin and conduct of the war with the Florida Indians, had succeeded in getting through Congress an appropriation for a negotiation with this tribe, and a resolve requesting the President to negotiate. He did so – with no other effect than to give an opportunity for renewed treachery and massacre. The message said:

> "In conformity with the expressed wishes of Congress, an attempt was made in the spring to terminate the Florida war by negotiation. It is to be regretted that these humane intentions should have been frustrated, and that the efforts to bring these unhappy difficulties to a satisfactory conclusion should have failed. But, after entering into solemn engagements with the Commanding General, the Indians, without any provocation, recommenced their acts of treachery and murder. The renewal of hostilities in that Territory renders it necessary that I should recommend

> to your favorable consideration the measure proposed by the Secretary at War (the armed occupation of the Territory)."

With all foreign powers the message had nothing but what was friendly and desirable to communicate. Nearly every question of dissension and dispute had been settled under the administration of his predecessor. The accumulated wrongs of thirty years to the property and persons of our citizens, had been redressed under President Jackson. He left the foreign world in peace and friendship with his country; and his successor maintained the amicable relations so happily established.

CHAPTER XLI.
DIVORCE OF BANK AND STATE; DIVORCE DECREED

This measure, so long and earnestly contested, was destined to be carried into effect at this session; but not without an opposition on the part of the whig members in each House, which exhausted both the powers of debate, and the rules and acts of parliamentary warfare. Even after the bill had passed through all its forms – had been engrossed for the third reading, and actually been read a third time and was waiting for the call of the vote, with a fixed majority shown to be in its favor – the warfare continued upon it, with no other view than to excite the people against it: for its passage in the Senate was certain. It was at this last moment that Mr. Clay delivered one of his impassioned and glowing speeches against it.

> "Mr. President, it is no less the duty of the statesman than the physician, to ascertain the exact state of the body to which he is to minister before he ventures to prescribe any healing remedy. It is with no pleasure, but with profound regret, that I survey the present condition of our country. I have rarely, I think never, known a period of such universal and intense distress. The general government is in debt, and its existing revenue is inadequate to meet its ordinary expenditure. The States are in debt, some of them largely in debt, insomuch that they have been compelled to resort to the ruinous expedient of contracting new loans to meet the interest upon prior loans; and the people are surrounded with difficulties; greatly embarrassed, and involved in debt. Whilst this is, unfortunately, the general state of the country, the means of extinguishing this vast mass of debt are in constant diminution. Property is falling in value – all the great staples of the country are declining in price, and destined, I fear, to further decline. The certain tendency of this very measure is to reduce prices. The banks are rapidly decreasing the amount of their circulation. About one-half of them, extending from New Jersey to the extreme Southwest, have suspended specie payments, presenting an image of a paralytic, one moiety of whose body is stricken with palsy. The banks are without a head; and, instead of union, concert, and co-operation between them, we behold jealousy, distrust, and enmity. We have no currency whatever possessing uniform value throughout the whole country. That which we have, consisting almost entirely of the issues of banks, is in a state of the utmost disorder, insomuch that it varies, in comparison with the specie standard, from par to fifty per cent. discount. Exchanges, too, are in the greatest possible confusion, not merely between distant parts of the Union, but between cities and places in the same neighborhood. That between our great commercial marts of New York and Philadelphia, within five or six hours of each other, vacillating between seven and ten per cent. The products of our agricultural industry are unable to find their way to market from the want of means in the hands of traders to purchase them, or from the want of confidence in the stability of things. Many of our manufactories stopped or stopping, especially in the important branch of woollens; and a vast accumulation of their fabrics on hand, owing to the destruction of confidence and the wretched state of exchange between different sections of the Union. Such is the unexaggerated picture of our present condition. And amidst the dark and dense cloud that surrounds us, I perceive not one gleam of light. It gives me nothing but pain to sketch the picture. But duty and truth require that existing diseases should be fearlessly examined and probed to the bottom. We shall otherwise be utterly incapable of conceiving or applying appropriate remedies.

> If the present unhappy state of our country had been brought upon the people by their folly and extravagance, it ought to be borne with fortitude, and without complaint, and without reproach. But it is my deliberate judgment that it has not been – that the people are not to blame – and that the principal causes of existing embarrassments are not to be traced to them. Sir, it is not my purpose to waste the time or excite the feelings of members of the Senate by dwelling long on what I suppose to be those causes. My object is a better, a higher, and I hope a more acceptable one – to consider the remedies proposed for the present exigency. Still, I should not fulfil my whole duty if I did not briefly say that, in my conscience, I believe our pecuniary distresses have mainly sprung from the refusal to recharter the late Bank of the United States; the removal of the public deposits from that institution; the multiplication of State banks in consequence; and the Treasury stimulus given to them to extend their operations; the bungling manner in which the law, depositing the surplus treasure with the States, was executed; the Treasury circular; and although last, perhaps not least, the exercise of the power of the veto on the bill for distributing, among the States, the net proceeds of the sales of the public lands."

This was the opening of the speech – the continuation and conclusion of which was bound to be in harmony with this beginning; and obliged to fill up the picture so pathetically drawn. It did so, and the vote being at last taken, the bill passed by a fair majority – 24 to 18. But it had the House of Representatives still to encounter, where it had met its fate before; and to that House it was immediately sent for its concurrence. A majority were known to be for it; but the shortest road was taken to its passage; and that was under the debate-killing pressure of the previous question. That question was freely used; and amendment after amendment cut off; motion after motion stifled; speech after speech suppressed; the bill carried from stage to stage by a sort of silent struggle (chiefly interrupted by the repeated process of calling yeas and nays), until at last it reached the final vote – and was passed – by a majority, not large, but clear – 124 to 107. This was the 30th of June, that is to say, within twenty days of the end of a session of near eight months. The previous question, so often abused, now so properly used (for the bill was an old measure, on which not a new word was to be spoken, or a vote to be changed, the only effort being to stave it off until the end of the session), accomplished this good work – and opportunely; for the next Congress was its deadly foe.

The bill was passed, but the bitter spirit which pursued it was not appeased. There is a form to be gone through after the bill has passed all its three readings – the form of agreeing to its title. This is as much a matter of course and form as it is to give a child a name after it is born: and, in both cases, the parents having the natural right of bestowing the name. But in the case of this bill the title becomes a question, which goes to the House, and gives to the enemies of the measure a last chance of showing their temper towards it: for it is a form in which nothing but temper can be shown. This is sometimes done by simply voting against the title, as proposed by its friends – at others, and where the opposition is extreme, it is done by a motion to amend the title by striking it out, and substituting another of odium, and this mode of opposition gives the party opposed to it an opportunity of expressing an opinion on the merits of the bill itself, compressed into an essence, and spread upon the journal for a perpetual remembrance. This was the form adopted on this occasion. The name borne at the head of the bill was inoffensive, and descriptive. It described the bill according to its contents, and did it in appropriate and modest terms. None of the phrases used in debate, such as "Divorce of Bank and State," "Sub-treasury," "Independent Treasury," &c., and which had become annoying to the opposition, were employed, but a plain title of description in these terms: "*An act to provide for the collection, safe-keeping, and disbursing of the public money.*" To this title Mr. James Cooper, of Pennsylvania, moved an amendment, in the shape of a substitute, in these words: "*An act to reduce the value of property, the products of the farmer, and the wages of labor, to destroy the indebted portions of the community, and to place the Treasury of the nation in the hands*

of the President." Before a vote could be taken upon this proposed substitute, Mr. Caleb Cushing, of Massachusetts, proposed to amend it by adding "*to enable the public money to be drawn from the public Treasury without appropriation made by law*," and having proposed this amendment to Mr. Cooper's amendment, Mr. Cushing began to speak to the contents of the bill. Then followed a scene in which the parliamentary history must be allowed to speak for itself.

> "Mr. Cushing then resumed, and said he had moved the amendment with a view of making a very limited series of remarks pertinent to the subject. He was then proceeding to show why, in his opinion, the contents of the bill did not agree with its title, when
>
> "Mr. *Petrikin*, of Pennsylvania, called him to order.
>
> "The Speaker said the gentleman from Massachusetts had a right to amend the title of the bill, if it were not a proper title. He had, therefore, a right to examine the contents of the bill, to show that the title was improper.
>
> "Mr. Petrikin still objected.
>
> "The Speaker said the gentleman from Pennsylvania would be pleased to reduce his point of order to writing.
>
> "Mr. Proffit, of Indiana, called Mr. Petrikin to order; and after some colloquial debate, the objection was withdrawn.
>
> "Mr. Cushing then resumed, and appeared very indignant at the interruption. He wished to know if the measure was to be forced on the country without affording an opportunity to say a single word. He said they were at the last act in the drama, but the end was not yet. Mr. C. then proceeded to give his reasons why he considered the bill as an unconstitutional measure, as he contended that it gave the Secretary power to draw on the public money without appropriations by law. He concluded by observing that he had witnessed the incubation and hatching of this *cockatrice*, but he hoped the time was not far distant when the people would put their feet on the *reptile* and crush it to the dust.
>
> "Mr. Pickens, of South Carolina, then rose, and in a very animated manner said he had wished to make a few remarks upon the bill before its passage, but he was now compelled to confine himself in reply to the very extraordinary language and tone assumed by the gentleman from Massachusetts. What right had he to speak of this bill as being forced on the country by "*brutal numbers*?" That gentleman had defined the bill according to *his* conception of it; but he would tell the gentleman, that the bill would, thank God, deliver this government from the hands of those who for so many years had lived by *swindling* the proceeds of honest labor. Yes, said Mr. P., I thank my God that the hour of our deliverance is now so near, from a system which has wrung the hard earnings from productive industry for the benefit of a few irresponsible corporations.
>
> "Sir, I knew the contest would be fierce and bitter. The bill, in its principles, draws the line between the great *laboring and landed interests* of this confederacy, and those who are identified with *capitalists in stocks* and live upon *incorporated credit*. The latter class have lived and fattened upon the fiscal action of this government, from the *funding system* down to the present day – and now they feel like wolves who have been driven back from the warm blood they have been lapping for forty years. Well may the gentleman [Mr. Cushing], who represents those interests, cry out and exclaim that it is a bill passed in force by fraud and power – it is the power and the spirit of a free people determined to redeem themselves and their government.

"Here the calls to order were again renewed from nearly every member of the opposition, and great confusion prevailed.

"The Speaker with much difficulty succeeded in restoring something like order, and as none of those who had so vociferously called Mr. P. to order, raised any point,

"Mr. Pickens proceeded with his remarks, and alluding to the words of Mr. Cushing, that "this was the last act of the drama," said this was the first, and not the last act of the drama. There were great questions that lay behind this, connected with the fiscal action of the government, and which we will be called on to decide in the next few years; they were all connected with one great and complicated system. This was the commencement, and only a branch of the system.

"Here the cries of order from the opposition were renewed, and after the storm had somewhat subsided,

"Mr. P. said, rather than produce confusion at that late hour of the day, when this great measure was so near a triumphant consummation, and, in spite of all the exertions of its enemies, was about to become the law of the land, he would not trespass any longer on the attention of the House. But the gentleman had said that because the first section had declared what should constitute the Treasury, and that another section had provided for keeping portions of the Treasury in other places than the safes and vaults in the Treasury building of this place; that, therefore, it was to be inferred that those who were to execute it would draw money from the Treasury without appropriations by law, and thus to perpetrate a fraud upon the constitution. Mr. P. said, let those who are to execute this bill dare to commit this outrage, and use money for purposes not intended in appropriations by law, and they would be visited with the indignation of an outraged and wronged people. It would be too gross and palpable. Such is not the broad meaning and intention of the bill. The construction given by the gentleman was a forced and technical one, and not natural. It was too strained to be seriously entertained by any one for a moment. He raised his protest against it.

"Mr. P. regretted the motion admitted of such narrow and confined debate. He would not delay the passage of the bill upon so small a point. He congratulated the country that we had approached the period when the measure was about to be triumphantly passed into a permanent law of the land. It is a great measure. Considering the lateness of the hour, the confusion in the House, and that the gentleman had had the advantage of an opening speech, he now concluded by demanding the previous question.

"On this motion the disorder among the opposition was renewed with tenfold fury, and some members made use of some very hard words, accompanied by violent gesticulation.

"It was some minutes before any thing approaching order could be restored.

"The Speaker having called on the sergeant-at-arms to clear the aisles,

"The call of the previous question was seconded, and the main question on the amendment to the amendment ordered to be put.

"The motion for the previous question having received a second, the main question was ordered.

"The question was then taken on Mr. Cushing's amendment to the amendment, and disagreed to without a count.

"The question recurring on the substitute of Mr. Cooper, of Pennsylvania, for the original title of the bill,

"Mr. R. Garland, of Louisiana, demanded the yeas and nays, which having been ordered, were – yeas 87, nays 128."

Eighty-seven members voted, on yeas and nays, for Mr. Cooper's proposed title, which was a strong way of expressing their opinion of it. For Mr. Cushing's amendment to it, there were too few to obtain a division of the House; and thus the bill became complete by getting a name – but only by the summary, silent, and enforcing process of the previous question. Even the title was obtained by that process. The passage of this act was the distinguishing glory of the Twenty-sixth Congress, and the "crowning mercy" of Mr. Van Buren's administration. Honor and gratitude to the members, and all the remembrance which this book can give them. Their names were:

In the Senate: – Messrs. Allen of Ohio, Benton, Brown of North Carolina, Buchanan, Calhoun, Clay of Alabama, Cuthbert of Georgia, Fulton of Arkansas, Grundy, Hubbard of New Hampshire, King of Alabama, Linn of Missouri, Lumpkin of Georgia, Mouton of Louisiana, Norvell of Michigan, Pierce of New Hampshire, Roane of Virginia, Sevier of Arkansas, Smith of Connecticut, Strange of North Carolina, Tappan of Ohio, Walker of Mississippi, Williams of Maine.

In the House of Representatives: – Messrs. Judson Allen, Hugh J. Anderson, Charles G. Atherton, William Cost Johnson, Cave Johnson, Nathaniel Jones, John W. Jones, George M. Keim, Gouverneur Kemble, Joseph Kille, Daniel P. Leadbetter, Isaac Leet, Stephen B. Leonard, Dixon H. Lewis, Joshua A. Lowell, William Lucas, Abraham McClellan, George McCulloch, James J. McKay, Meredith Mallory, Albert G. Marchand, William Medill, John Miller, James D. L. Montanya, Linn Banks, William Beatty, Andrew Beirne, William Montgomery, Samuel W. Morris, Peter Newhard, Isaac Parrish, William Parmenter, Virgil D. Parris, Lemuel Paynter, David Petrikin, Francis W. Pickens, John H. Prentiss, William S. Ramsey, John Reynolds, R. Barnwell Rhett, Francis E. Rives, Thomas Robinson, Jr., Edward Rogers, James Rogers, Daniel B. Ryall, Green B. Samuels, Tristram Shaw, Charles Shepard, Edward J. Black, Julius W. Blackwell, Linn Boyd, John Smith, Thomas Smith, David A. Starkweather, Lewis Steenrod, Theron R. Strong, Thomas D. Sumter, Henry Swearingen, George Sweeney, Jonathan Taylor, Francis Thomas, Philip F. Thomas, Jacob Thompson, Hopkins L. Turney, Aaron Vanderpoel, Peter D. Vroom, David D. Wagener, Harvey M. Watterson, John B. Weller, Jared W. Williams, Henry Williams, John T. H. Worthington.

CHAPTER XLII.
FLORIDA ARMED OCCUPATION BILL: MR. BENTON'S SPEECH: EXTRACTS

Armed occupation, with land to the occupant, is the true way of settling and holding a conquered country. It is the way which has been followed in all ages, and in all countries, from the time that the children of Israel entered the promised land, with the implements of husbandry in one hand, and the weapons of war in the other. From that day to this, all conquered countries had been settled in that way. Armed settlement, and a homestead in the soil, was the principle of the Roman military colonies, by which they consolidated their conquests. The northern nations bore down upon the south of Europe in that way: the settlers of the New World – our pilgrim fathers and all – settled these States in that way: the settlement of Kentucky and Tennessee was effected in the same way. The armed settlers went forth to fight, and to cultivate. They lived in stations first – an assemblage of blockhouses (the Roman presidium), and emerged to separate settlements afterwards; and in every instance, an interest in the soil – an inheritance in the land – was the reward of their enterprise, toil, and danger. The peninsula of Florida is now prepared for this armed settlement: the enemy has been driven out of the field. He lurks, an unseen foe, in the swamps and hammocks. He no longer shows himself in force, or ventures a combat; but, dispersed and solitary, commits individual murders and massacres. The country is prepared for armed settlement.

It is the fashion – I am sorry to say it – to depreciate the services of our troops in Florida – to speak of them as having done nothing; as having accomplished no object for the country, and acquired no credit for themselves. This was a great error. The military had done an immensity there; they had done all that arms could do, and a great deal that the axe and the spade could do. They had completely conquered the country; that is to say, they had driven the enemy from the field; they had dispersed the foe; they had reduced them to a roving banditti, whose only warfare was to murder stragglers and families. Let any one compare the present condition of Florida with what it was at the commencement of the war, and see what a change has taken place. Then combats were frequent. The Indians embodied continually, fought our troops, both regulars, militia, and volunteers. Those hard contests cannot be forgotten. It cannot be forgotten how often these Indians met our troops in force, or hung upon the flanks of marching columns, harassing and attacking them at every favorable point. Now all this is done. For two years past, we have heard of no such thing. The Indians, defeated in these encounters, and many of them removed to the West, have now retired from the field, and dispersed in small parties over the whole peninsula of Florida. They are dispersed over a superficies of 45,000 square miles, and that area sprinkled all over with haunts adapted to their shelter, to which they retire for safety like wild beasts, and emerge again for new mischief. Our military have then done much; they have done all that military can do; they have broken, dispersed, and scattered the enemy. They have driven them out of the field; they have prepared the country for settlement, that is to say, for armed settlement. There has been no battle, no action, no skirmish, in Florida, for upwards of two years. The last combats were at Okeechobee and Caloosahatchee, above two years ago. There has been no *war* since that time; nothing but individual massacres. The country has been waiting for settlers for two years; and this bill provides for them, and offers them inducements to settle.

Besides their military labors, our troops have done an immensity of labor of a different kind. They have penetrated and perforated the whole peninsula of Florida; they have gone through the *Serbonian bogs* of that peninsula; they have gone where the white man's foot never before was seen to tread; and where no Indian believed it could ever come. They have gone from the Okeefekonee swamp to the Everglades; they have crossed the peninsula backwards and forwards, from the Gulf of Mexico to the Atlantic Ocean. They have sounded every morass, threaded every hammock, traced

every creek, examined every lake, and made the topography of the country as well known as that of the counties of our States. The maps which the topographical officers have constructed, and the last of which is in the Report of the Secretary at War, attest the extent of these explorations, and the accuracy and minuteness of the surveys and examinations. Besides all this, the troops have established some hundreds of posts; they have opened many hundred miles of wagon road; and they have constructed some thousands of feet of causeways and bridges. These are great and meritorious labors. They are labors which prepare the country for settlement; prepare it for the 10,000 armed cultivators which this bill proposes to send there.

Mr. B. said he paid this tribute cheerfully to the merits of our military, and our volunteers and militia employed in Florida; the more cheerfully, because it was the inconsiderate custom of too many to depreciate the labors of these brave men. He took pleasure, here in his place, in the American Senate, to do them justice; and that without drawing invidious comparisons – without attempting to exalt some at the expense of others. He viewed with a favorable eye – with friendly feelings – with prepossessions in their favor – all who were doing their best for their country; and all such – all who did their best for their country – should have his support and applause, whether fortune was more or less kind to them, in crowning their meritorious exertions with success. He took pleasure in doing all this justice; but his tribute would be incomplete, if he did not add what was said by the Secretary at War, in his late report, and also by the immediate commander, General Taylor.

Mr. B. repeated, that the military had done their duty, and deserved well of their country. They had brought the war to that point, when there was no longer an enemy to be fought; when there was nothing left but a banditti to be extirpated. Congress, also, had tried its policy – the policy of peace and conciliation – and the effort only served to show the unparalleled treachery and savageism of the ferocious beasts with which we had to deal. He alluded to the attempts at negotiation and pacification, tried this summer under an intimation from Congress. The House of Representatives, at the last session, voted $5,000 for opening negotiations with these Indians. When the appropriation came to the Senate, it was objected to by himself and some others, from the knowledge they had of the character of these Indians, and their belief that it would end in treachery and misfortune. The House adhered; the appropriation was made; the administration acted upon it, as they felt bound to do; and behold the result of the attempt! The most cruel and perfidious massacres plotted and contrived while making the treaty itself! a particular officer selected, and stipulated to be sent to a particular point, under the pretext of establishing a trading-post, and as a protector, there to be massacred! a horrible massacre in reality perpetrated there; near seventy persons since massacred, including families; the Indians themselves emboldened by our offer of peace, and their success in treachery; and the whole aspect of the war made worse by our injudicious attempt at pacification.

Lt. Col. Harney, with a few soldiers and some citizens, was reposing on the banks of the Caloosahatchee, under the faith of treaty negotiations, and on treaty ground. He was asleep. At the approach of daybreak he was roused by the firing and yells of the Indians, who had got possession of the camp, and killed the sergeant and more than one-half of his men. Eleven soldiers and five citizens were killed; eight soldiers and two citizens escaped. Seven of the soldiers, taking refuge in a small sail-boat, then lying off in the stream, in which the two citizens fortunately had slept that night, as soon as possible weighed anchor, and favored by a light breeze, slipped off unperceived by the Indians. The Colonel himself escaped with great difficulty, and after walking fifteen miles down the river, followed by one soldier, came to a canoe, which he had left there the evening previous, and succeeded, by this means, in getting on board the sail-boat, where he found those who had escaped in her. Before he laid down to sleep, the treacherous Chitto Tustenuggee, partaking his hospitality, lavished proofs of friendship upon him. Here was an instance of treachery of which there was no parallel in Indian warfare. With all their treachery, the treaty-ground is a sacred spot with the Indians; but here, in the very articles of a treaty itself, they plan a murderous destruction of an officer whom they solicited to be sent with them as their protector; and, to gratify all their passions of murder and robbery at once,

they stipulate to have their victims sent to a remote point, with settlers and traders, as well as soldiers, and with a supply of goods. All this they arranged; and too successfully did they execute the plan. And this was the beginning of their *execution* of the treaty. Massacres, assassinations, robberies, and house-burnings, have followed it up, until the suburbs of St. Augustine and Tallahasse are stained with blood, and blackened with fire. About seventy murders have since taken place, including the destruction of the shipwrecked crews and passengers on the southern extremity of the peninsula.

The plan of Congress has, then, been tried; the experiment of negotiation has been tried and has ended disastrously and cruelly for us, and with greatly augmenting the confidence and ferocity of the enemy. It puts an end to all idea of finishing the war there by peaceable negotiation. Chastisement is what is due to these Indians, and what they expect. They mean to keep no faith with the government, and henceforth they will expect no faith to be reposed in them. The issue is now made; we have to expel them by force, or give up forty-five thousand square miles of territory – much of it an old settled country – to be ravaged by this banditti.

The plan of Congress has been tried, and has ended in disaster; the military have done all that military can do; the administration have now in the country all the troops which can be spared for the purpose. They have there the one-half of our regular infantry, to wit: four regiments out of eight; they have there the one-half of our dragoons, to wit: one regiment; they even have there a part of our artillery, to wit: one regiment; and they have besides, there, a part of the naval force to scour the coasts and inlets; and, in addition to all this, ten companies of Florida volunteers. Even the marines under their accomplished commander (Col. Henderson), and at his request, have been sent there to perform gallant service, on an element not their own. No more of our troops can be spared for that purpose; the West and the North require the remainder, and more than the remainder. The administration can do no more than it has done with the means at its command. It is laid under the necessity of asking other means; and the armed settlers provided for in this bill are the principal means required. One thousand troops for the war, is all that is asked in addition to the settlers, in this bill.

This then is the point we are at: To choose between granting these means, or doing nothing! Yes, sir, to choose between the recommendations of the administration, and nothing! I say, these, or nothing; for I presume Congress will not prescribe another attempt at negotiation; no one will recommend an increase of ten thousand regular troops; no one will recommend a draft of ten thousand militia. It is, then, the plan of the administration, or nothing; and this brings us to the question, whether the government can now fold its arms, leave the regulars to man their posts, and abandon the country to the Indians? This is now the question; and to this point I will direct the observations which make it impossible for us to abdicate our duty, and abandon the country to the Indians.

I assume it then as a point granted, that Florida cannot be given up – that she cannot be abandoned – that she cannot be left in her present state. What then is to be done? Raise an army of ten thousand men to go there to fight? Why, the men who are there now can find nobody to fight! It is two years since a fight has been had; it is two years since we have heard of a fight. Ten men, who will avoid surprises and ambuscades, can now go from one end of Florida to the other. As warriors, these Indians no longer appear, it is only as assassins, as robbers, as incendiaries, that they lurk about. The country wants settlers, not an army. It has wanted these settlers for two years; and this bill provides for them, and offers them the proper inducements to go. And here I take the three great positions, that this bill is the *appropriate* remedy; that it is the *efficient* remedy; that it is the *cheap* remedy, for the cure of the Florida difficulties. It is the appropriate remedy; for what is now wanted, is not an army to fight, but settlers and cultivators to retain possession of the country, and to defend their possessions. We want people to take possession, and keep possession, and the armed cultivator is the man for that. The blockhouse is the first house to be built in an Indian country; the stockade is the first fence to be put up. Within that blockhouse, and a few of them together – a hollow square of blockhouses, two miles long on each side, two hundred yards apart, and enclosing a good field – safe habitations are found for families. The faithful mastiff, to give notice of the approach of danger, and

a few trusty rifles in brave hands, make all safe. Cultivation and defence then goes hand in hand. The heart of the Indian sickens when he hears the crowing of the cock, the barking of the dog, the sound of the axe, and the crack of the rifle. These are the true evidences of the dominion of the white man; these are the proof that the owner has come, and means to stay; and then they feel it to be time for them to go. While soldiers alone are in the country, they feel their presence to be temporary; that they are mere sojourners in the land, and sooner or later must go away. It is the settler alone, the armed settler, whose presence announces the dominion – the permanent dominion – of the white man.

It is the most efficient remedy. On this point we can speak with confidence, for the other remedies have been tried, and have failed. The other remedies are to catch the Indians, and remove them; or, to negotiate with them, and induce them to go off. Both have been tried; both are exhausted. No human being now thinks that our soldiers can catch these Indians; no one now believes in the possibility of removing them by treaty. No other course remains to be tried, but the armed settlement; and that is so obvious, that it is difficult to see how any one that has read history, or has heard how this new world was settled, or how Kentucky and Tennessee were settled, can doubt it.

The peninsula is a desolation. Five counties have been depopulated. The inhabitants of five counties – the survivors of many massacres – have been driven from their homes: this bill is intended to induce them to return, and to induce others to go along with them. Such inducements to settle and defend new countries have been successful in all ages and in all nations; and cannot fail to be effectual with us. *Deliberat Roma, perit Saguntum*, became the watchword of reproach, and of stimulus to action in the Roman Senate when the Senate deliberated while a colony was perishing. *Saguntum perishes while Rome deliberates*: and this is truly the case with ourselves and Florida. That beautiful and unfortunate territory is a prey to plunder, fire, and murder. The savages kill, burn and rob – where they find a man, a house, or an animal in the desolation which they have made. Large part of the territory is the empty and bloody skin of an immolated victim.

CHAPTER XLIII.
ASSUMPTION OF THE STATE DEBTS

About one-half of the States had contracted debts abroad which they were unable to pay when due, and in many instances were unable to pay the current annual interest. These debts at this time amounted to one hundred and seventy millions of dollars, and were chiefly due in Great Britain. They had been converted into a stock, and held in shares, and had gone into a great number of hands; and from defaults in payments were greatly depreciated. The Reverend Sydney Smith, of witty memory, and amiable withal, was accustomed to lose all his amiability, but no part of his wit, when he spoke of his Pennsylvania bonds – which in fact was very often. But there was another class of these bond-holders who did not exhale their griefs in wit, caustic as it might be, but looked to more substantial relief – to an assumption in some form, disguised or open, virtual or actual, of these debts by the federal government. These British capitalists, connected with capitalists in the United States, possessed a weight on this point which was felt in the halls of Congress. The disguised attempts at this assumption, were in the various modes of conveying federal money to the States in the shape of distributing surplus revenue, of dividing the public land money, and of bestowing money on the States under the fallacious title of a deposit. But a more direct provision in their behalf was wanted by these capitalists, and in the course of the year 1839 a movement to that effect was openly made through the columns of their regular organ – The London Bankers' Circular, emanating from the most respectable and opulent house of the Messrs. Baring, Brothers and Company. At this open procedure on the part of these capitalists, it was deemed expedient to meet the attempt *in limine* by a positive declaration in Congress against the constitutionality, the justice, and the policy of any such measure. With this view Mr. Benton, at the commencement of the first session of Congress after the issuing of the Bankers' Circular, submitted a series of resolutions in the Senate, which, with some modification, and after an earnest debate, were passed in that body. These were the resolutions:

> "1. That the assumption of such debts either openly, by a direct promise to pay them, or disguisedly by going security for their payment, or by creating surplus revenue, or applying the national funds to pay them, would be a gross and flagrant violation of the constitution, wholly unwarranted by the letter or spirit of that instrument, and utterly repugnant to all the objects and purposes for which the federal Union was formed.
>
> "2. That the debts of the States being now chiefly held by foreigners, and constituting a stock in foreign markets greatly depreciated, any legislative attempt to obtain the assumption or securityship of the United States for their payment, or to provide for their payment out of the national funds, must have the effect of enhancing the value of that stock to the amount of a great many millions of dollars, to the enormous and undue advantage of foreign capitalists, and of jobbers and gamblers in stocks; thereby holding out inducement to foreigners to interfere in our affairs, and to bring all the influences of a moneyed power to operate upon public opinion, upon our elections, and upon State and federal legislation, to produce a consummation so tempting to their cupidity, and so profitable to their interest.
>
> "3. That foreign interference and foreign influence, in all ages, and in all countries, have been the bane and curse of free governments; and that such interference and influence are far more dangerous, in the insidious intervention of the moneyed power, than in the forcible invasions of fleets and armies.
>
> "4. That to close the door at once against all applications for such assumption, and to arrest at their source the vast tide of evils which would flow from it, it

> is necessary that the constituted authorities, without delay, shall RESOLVE and DECLARE their utter opposition to the proposal contained in the late London Bankers' Circular in relation to State debts, contracted for local and State purposes, and recommending to the Congress of the United States to assume, or guarantee, or provide for the ultimate payment of said debts."

In the course of the discussion of these resolutions an attempt was made to amend them, and to reverse their import, by obtaining a direct vote of the Senate in favor of distributing the public land revenue among the States to aid them in the payment of these debts. This proposition was submitted by Mr. Crittenden, of Kentucky; and was in these words: "That it would be just and proper to distribute the proceeds of the sales of the public lands among the several States in fair and ratable proportions; and that the condition of such of the States as have contracted debts is such, at the present moment of pressure and difficulty, as to render such distribution especially expedient and important." This proposition received a considerable support, and was rejected upon yeas and nays – 28 to 17. The yeas were Messrs. Betts of Connecticut, Clay of Kentucky, Crittenden, Davis of Massachusetts, Dixon of Rhode Island, Knight of Connecticut, Merrick of Maryland, Phelps of Vermont, Porter of Michigan, Prentiss of Vermont, Ruggles of Maine, Smith of Indiana, Southard of New Jersey, Spence of Maryland, Tallmadge, Webster, White of Indiana. The nays were: Messrs. Allen of Ohio, Anderson of Tennessee, Benton, Bedford Brown, Calhoun, Clay of Alabama, Alfred Cuthbert, Grundy, Henderson of Mississippi, Hubbard, King of Alabama, Linn of Missouri, Lumpkin of Georgia, Mouton, Nicholas of Louisiana, Norvell of Michigan, Pierce, Preston, Roane, Robinson, Sevier, Strange, Sturgeon, Tappan of Ohio, Wall of New Jersey, Williams, Wright. As the mover of the resolutions Mr. Benton supported them in a speech, of which some extracts are given in the next chapter.

CHAPTER XLIV.
ASSUMPTION OF THE STATE DEBTS: MR. BENTON'S SPEECH: EXTRACTS

The assumption of the State debts contracted for State purposes has been for a long time a measure disguisedly, and now is a measure openly, pressed upon the public mind. The movement in favor of it has been long going on; opposing measures have not yet commenced. The assumption party have the start, and the advantage of conducting the case; and they have been conducting it for a long time, and in a way to avoid the name of assumption while accomplishing the thing itself. All the bills for distributing the public land revenue – all the propositions for dividing surplus revenue – all the refusals to abolish unnecessary taxes – all the refusals to go on with the necessary defences of the country – were so many steps taken in the road to assumption. I know very well that many who supported these measures had no idea of assumption, and would oppose it as soon as discovered; but that does not alter the nature of the measures they supported, and which were so many steps in the road to that assumption, then shrouded in mystery and futurity, now ripened into strength, and emboldened into a public disclosure of itself. Already the State legislatures are occupied with this subject, while we sit here, waiting its approach.

It is time for the enemies of assumption to take the field, and to act. It is a case in which they should give, and not receive, the attack. The President has led the way; he has shown his opinions. He has nobly done his duty. He has shown the evils of diverting the general funds from their proper objects – the mischiefs of our present connection with the paper system of England – and the dangers of foreign influence from any further connection with it. In this he has discharged a constitutional and a patriotic duty. Let the constituted authorities, each in their sphere, follow his example, and declare their opinions also. Let the Senate especially, as part of the legislative power – as the peculiar representative of the States in their sovereign capacity – let this body declare its sentiments, and, by its resolves and discussions, arrest the progress of the measure here, and awaken attention to it elsewhere. As one of the earliest opposers of this measure – as, in fact, the very earliest opposer of the whole family of measures of which it is the natural offspring – as having denounced the assumption in disguise in a letter to my constituents long before the London Bankers' letter revealed it to the public: as such early, steadfast, and first denouncer of this measure, I now come forward to oppose it in form, and to submit the resolves which may arrest it here, and carry its discussion to the forum of the people.

I come at once to the point, and say that disguised assumption, in the shape of land revenue distribution, is the form in which we shall have to meet the danger; and I meet it at once in that disguise. I say there is no authority in the constitution to raise money from any branch of the revenue for distribution among the States, or to distribute that which had been raised for other purposes. The power of Congress to raise money is not unlimited and arbitrary, but restricted, and directed to the national objects named in the constitution. The means, the amount, and the application, are all limited. The means are direct taxes – duties on imports – and the public lands; the objects are the support of the government – the common defence – and the payment of the debts of the Union: the amount to be raised is of course limited to the amount required for the accomplishment of these objects. Consonant to the words and the spirit of the constitution, is the title, the preamble and the tenor of all the early statutes for raising money; they all declare the object for which the money is wanted; they declare the object at the head of the act. Whether it be a loan, a direct tax, or a duty on imports, the object of the loan, the tax, or the duty, is stated in the preamble to the act; Congress thus excusing and justifying themselves for the demand in the very act of making it, and telling the people plainly what they wanted with the money. This was the way in all the early statutes; the books are full of examples; and it was only after money began to be levied for objects not known to the

constitution, that this laudable and ancient practice was dropped. Among the enumerated objects for which money can be raised by Congress, is that of paying the debts of the Union; and is it not a manifest absurdity to suppose that, while it requires an express grant of power to enable us to pay the debts of the Union, we can pay those of the States by implication and by indirection? No, sir, no. There is no constitutional way to assume these State debts, or to pay them, or to indorse them, or to smuggle the money to the States for that purpose, under the pretext of dividing land revenue, or surplus revenue, among them. There is no way to do it. The whole thing is constitutionally impossible. It was never thought of by the framers of our constitution. They never dreamed of such a thing. There is not a word in their work to warrant it, and the whole idea of it is utterly repugnant and offensive to the objects and purposes for which the federal Union was framed.

We have had one assumption in our country and that in a case which was small in amount, and free from the impediment of a constitutional objection; but which was attended by such evils as should deter posterity from imitating the example. It was in the first year of the federal government; and although the assumed debts were only twenty millions, and were alleged to have been contracted for general purposes, yet the assumption was attended by circumstances of intrigue and corruption, which led to the most violent dissension in Congress, suspended the business of the two Houses, drove some of the States to the verge of secession, and menaced the Union with instant dissolution. Mr. Jefferson, who was a witness of the scene, and who was overpowered by General Hamilton, and by the actual dangers of the country, into its temporary support, thus describes it:

> "This game was over (funding the soldiers' certificates), and another was on the carpet at the moment of my arrival; and to this I was most ignorantly and innocently made to hold the candle. This fiscal manœuvre is well known by the name of the assumption. Independently of the debts of Congress, the States had, during the war, contracted separate and heavy debts, &c. **** This money, whether wisely or foolishly spent, was pretended to have been spent for *general* purposes, and ought therefore to be paid from the *general* purse. But it was objected, that nobody knew what these debts were, what their amount, or what their proofs. No matter; we will guess them to be twenty millions. But of these twenty millions, we do not know how much should be reimbursed to one State or how much to another. No matter; we will guess. And so another scramble was set on foot among the several States, and some got much, some little, some nothing. **** This measure produced the most bitter and angry contests ever known in Congress, before or since the union of the States. **** The great and trying question, however, was lost in the House of Representatives. So high were the feuds excited by this subject, that on its rejection business was suspended. Congress met and adjourned, from day to day, without doing any thing, the parties being too much out of temper to do business together. The Eastern members particularly, who, with Smith from South Carolina, were the principal gamblers in these scenes, threatened a secession and dissolution. **** But it was finally agreed that whatever importance had been attached to the rejection of this proposition, the preservation of the Union, and of concord among the States, was more important; and that, therefore, it would be better that the vote of rejection should be rescinded; to effect which, some members should change their votes. But it was observed that this pill would be peculiarly bitter to the Southern States, and that some concomitant measure should be adopted to sweeten it a little to them. There had before been propositions to fix the seat of government either at Philadelphia, or at Georgetown, on the Potomac; and it was thought that, by giving it to Philadelphia for ten years, and to Georgetown permanently afterwards, this might, as an anodyne, calm in some degree the ferment which might be excited by the other measure alone. So two of the Potomac members (White and Lee, but White with a revulsion of

> stomach almost convulsive) agreed to change their votes, and Hamilton undertook to carry the other point; and so the assumption was passed, and twenty millions of stock divided among the favored States, and thrown in as a pabulum to the stock-jobbing herd. * * * Still the machine was not complete; the effect of the funding system and of the assumption would be temporary; it would be lost with the loss of the individual members whom it had enriched; and some engine of influence more permanent must be contrived while these myrmidons were yet in place to carry it through. This engine was the Bank of the United States."

What a picture is here presented! Debts assumed in the mass, without knowing what they were in the gross, or what in detail – Congress in a state of disorganization, and all business suspended for many days – secession and disunion openly menaced – compromise of interests – intrigue – buying and selling of votes – conjunction of parties to pass two measures together, neither of which could be passed separately – speculators infesting the halls of legislation, and openly struggling for their spoil – the funding system a second time sanctioned and fastened upon the country – jobbers and gamblers in stocks enriched – twenty millions of additional national debt created – and the establishment of a national bank insured. Such were the evils attending a small assumption of twenty millions of dollars, and that in a case where there was no constitutional impediment to be evaded or surmounted. For in that case the debts assumed had been incurred for the general good – for the general defence during the revolution: in this case they have been incurred for the local benefit of particular States. Half the States have incurred none; and are they to be taxed to pay the debts of the rest?

These stocks are now greatly depreciated. Many of the present holders bought them upon speculation, to take the chance of the rise. A diversion of the national domain to their payment would immediately raise them far above par – would be a present of fifty or sixty cents on the dollar, and of fifty or sixty millions in the gross – to the foreign holders, and, virtually, a present of so much public land to them. It is in vain for the bill to say that the proceeds of the lands are to be divided among the States. The indebted States will deliver their portion to their creditors; they will send it to Europe, they will be nothing but the receivers-general and the sub-treasurers of the bankers and stockjobbers of London, Paris, and of Amsterdam. The proceeds of the sales of the lands will go to them. The hard money, wrung from the hard hand of the western cultivator, will go to these foreigners; and the whole influence of these foreigners will be immediately directed to the enhancement of the price of our public lands, and to the prevention of the passage of all the laws which go to graduate their price, or to grant pre-emptive rights to the settlers.

What more unwise and more unjust than to contract debts on long time, as some of the States have done, thereby invading the rights and mortgaging the resources of posterity, and loading unborn generations with debts not their own? What more unwise than all this, which several of the States have done, and which the effort now is to make all do? Besides the ultimate burden in the shape of final payment, which is intended to fall upon posterity, the present burden is incessant in the shape of annual interest, and falling upon each generation, equals the principal in every periodical return of ten or a dozen years. Few have calculated the devouring effect of annual interest on public debts, and considered how soon it exceeds the principal. Who supposes that we have paid near three hundred millions of interest on our late national debt, the principal of which never rose higher than one hundred and twenty-seven millions, and remained but a year or two at that? Who supposes this? Yet it is a fact that we have paid four hundred and thirty-one millions for principal and interest of that debt; so that near three hundred millions, or near double the maximum amount of the debt itself, must have been paid in interest alone; and this at a moderate interest varying from three to six per cent. and payable at home. The British national debt owes its existence entirely to this policy. It was but a trifle in the beginning of the last century, and might have been easily paid during the reigns of the first and second George; but the policy was to fund it, that is to say, to pay the interest annually, and send down the principal to posterity; and the fruit of that policy is now seen in a debt of four

thousand five hundred millions of dollars, two hundred and fifty millions of annual taxes, with some millions of people without bread; while an army, a navy, and a police, sufficient to fight all Europe, is kept under pay, to hold in check and subordination the oppressed and plundered ranks of their own population. And this is the example which the transferrers of the State debt would have us to imitate, and this the end to which they would bring us!

I do not dilate upon the evils of a foreign influence. They are written upon the historical page of every free government, from the most ancient to the most modern: they are among those most deeply dreaded, and most sedulously guarded against by the founders of the American Union. The constitution itself contains a special canon directed against them. To prevent the possibility of this foreign influence, every species of foreign connection, dependence, or employment, is constitutionally forbid to the whole list of our public functionaries. The inhibition is express and fundamental, that "*no person holding any office of profit or trust under the United States shall, without the consent of Congress, accept of any present, emolument, office, or title, of any kind whatever, from any king, prince, or foreign State*." All this was to prevent any foreign potentate from acquiring partisans or influence in our government – to prevent our own citizens from being seduced into the interests of foreign powers. Yet, to what purpose all these constitutional provisions against petty sovereignties, if we are to invite the moneyed power which is able to subsidize kings, princes, and potentates – if we are to invite this new and master power into the bosom of our councils, give it an interest in controlling public opinion, in directing federal and State legislation, and in filling our cities and seats of government with its insinuating agents, and its munificent and lavish representatives? To what purpose all this wise precaution against the possibility of influence from the most inconsiderable German or Italian prince, if we are to invite the combined bankers of England, France, and Holland, to take a position in our legislative halls, and by a simple enactment of a few words, to convert their hundreds of millions into a thousand millions, and to take a lease of the labor and property of our citizens for generations to come? The largest moneyed operation which we ever had with any foreign power, was that of the purchase of Louisiana from the Great Emperor. That was an affair of fifteen millions. It was insignificant and contemptible, compared to the hundreds of millions for which these bankers are now upon us. And are we, while guarded by the constitution against influence from an emperor and fifteen millions, to throw ourselves open to the machinations of bankers, with their hundreds of millions?

CHAPTER XLV.
DEATH OF GENERAL SAMUEL SMITH, OF MARYLAND; AND NOTICE OF HIS LIFE AND CHARACTER

He was eighteen years a senator, and nearly as long a member of the House – near forty years in Congress: which speaks the estimation in which his fellow-citizens held him. He was thoroughly a business member, under all the aspects of that character: intelligent, well informed, attentive, upright; a very effective speaker, without pretending to oratory: well read: but all his reading subordinate to common sense and practical views. At the age of more than seventy he was still one of the most laborious members, both in the committee room and the Senate: and punctual in his attendance in either place. He had served in the army of the Revolution, and like most of the men of that school, and of that date, had acquired the habit of punctuality, for which Washington was so remarkable – that habit which denotes a well-ordered mind, a subjection to a sense of duty, and a considerate regard for others. He had been a large merchant in Baltimore, and was particularly skilled in matters of finance and commerce, and was always on committees charged with those subjects – to which his clear head, and practical knowledge, lent light and order in the midst of the most intricate statements. He easily seized the practical points on these subjects, and presented them clearly and intelligibly to the chamber. Patriotism, honor, and integrity were his eminent characteristics; and utilitarian the turn of his mind; and beneficial results the object of his labors. He belonged to that order of members who, without classing with the brilliant, are nevertheless the most useful and meritorious. He was a working member; and worked diligently, judiciously, and honestly, for the public good. In politics he was democratic, and greatly relied upon by the Presidents Jefferson, Madison, and Monroe. He was one of the last of the revolutionary stock that served in the Senate – remaining there until 1833 – above fifty years after that Declaration of Independence which he had helped to make good, with his sword. Almost octogenarian, he was fresh and vigorous to the last, and among the most assiduous and deserving members. He had acquired military reputation in the war of the Revolution, and was called by his fellow-citizens to take command of the local troops for the defence of Baltimore, when threatened by the British under General Ross, in 1814 – and commanded successfully – with the judgment of age and the fire of youth. At his death, his fellow-citizens of Baltimore erected a monument to his memory – well due to him as one of her longest and most respected inhabitants, as having been one of her eminent merchants, often her representative in Congress, besides being senator; as having defended her both in the war of the Revolution and in that of 1812; and as having made her welfare and prosperity a special object of his care in all the situations of his life, both public and private.

CHAPTER XLVI.
SALT; THE UNIVERSALITY OF ITS SUPPLY; MYSTERY AND INDISPENSABILITY OF ITS USE; TYRANNY AND IMPIETY OF ITS TAXATION; SPEECH OF MR. BENTON: EXTRACTS

It is probable that salt is the most abundant substance of our globe – that it is more abundant than earth itself. Like other necessaries of life – like air, and water, and food – it is universally diffused, and inexhaustibly supplied. It is found in all climates, and in a great variety of forms. The waters hold it in solution; the earth contains it in solid masses. Every sea contains it. It is found in all the boundless oceans which surround and penetrate the earth, and through all their fathomless depths. Many inland seas, lakes, ponds, and pools are impregnated with it. Streams of saline water, in innumerable places, emerging from the bowels of the earth, approach its surface, and either issue from it in perennial springs, or are easily reached by wells. In the depths of the earth itself it is found in solid masses of interminable extent. Thus inexhaustibly abundant, and universally diffused, the wisdom and goodness of Providence is further manifested in the cheapness and facility of the preparation of this necessary of life, for the use of man. In all the warm latitudes, and especially between the tropics, nature herself performs the work. The beams of the sun evaporate the sea water in all the low and shallow reservoirs, where it is driven by the winds, or admitted by the art of man; and this evaporation leaves behind a deposit of pure salt, ready for use, and costing very little more than the labor of gathering it up. In the interior, and in the colder latitudes, artificial heat is substituted for the beams of the sun: the simplest process of boiling is resorted to; and where fuel is abundant, and especially coal, the preparation of this prime necessary is still cheap and easy; and from six to ten cents the real bushel may be considered as the ordinary cost of production. Such is the bountiful and cheap supply of this article, which a beneficent Providence has provided for us. The Supreme Ruler of the Universe has done every thing to supply his creatures with it. Man, the fleeting shadow of an instant, invested with his little brief authority, has done much to deprive them of it. In all ages of the world, and in all countries, salt has been a subject, at different periods, of heavy taxation, and sometimes of individual or of government monopoly; and precisely, because being an article that no man could do without, the government was sure of its tax, and the monopolizer of his price. Almost all nations, in some period of their history, have suffered the separate or double infliction of a tax, and a monopoly on its salt; and, at some period, all have freed themselves, from one or both. At present, there remain but two countries which suffer both evils, our America, and the British East Indies. All others have got rid of the monopoly; many have got rid of the tax. Among others, the very country from which we copied it, and the one above all others least able to do without the product of the tax. England, though loaded with debt, and taxed in every thing, is now free from the salt tax. Since 1822, it has been totally suppressed; and this necessary of life is now as free there as air and water. She even has a statute to guard its price, and common law to prevent its monopoly.

This act was passed in 1807. The common law of England punishes all monopolizers, forestallers, and regraters. The Parliament, in 1807, took cognizance of a reported combination to raise the price of salt, and examined the manufacturers on oath: and rebuked them.

Mr. B. said that a salt tax was not only politically, but morally wrong: it was a species of impiety. Salt stood alone amidst the productions of nature, without a rival or substitute, and the preserver and purifier of all things. Most nations had regarded it as a mystic and sacred substance. Among the heathen nations of antiquity, and with the Jews, it was used in the religious ceremony of the sacrifices – the head of the victim being sprinkled with salt and water before it was offered.

Among the primitive Christians, it was the subject of Divine allusions, and the symbol of purity, of incorruptibility, and of perpetuity. The disciples of Christ were called "the salt of the earth;" and no language, or metaphor, could have been more expressive of their character and mission – pure in themselves, and an antidote to moral, as salt was to material corruption. Among the nations of the East salt always has been, and still is, the symbol of friendship, and the pledge of inviolable fidelity. He that has eaten another's salt, has contracted towards his benefactor a sacred obligation; and cannot betray or injure him thereafter, without drawing upon himself (according to his religious belief) the certain effects of the Divine displeasure. While many nations have religiously regarded this substance, all have abhorred its taxation; and this sentiment, so universal, so profound, so inextinguishable in the human heart, is not to be overlooked by the legislator.

Mr. B. concluded his speech with declaring implacable war against this tax, with all its appurtenant abuses, of monopoly in one quarter of the Union, and of undue advantages in another. He denounced it as a tax upon the entire economy of NATURE and of ART – a tax upon man and upon beast – upon life and upon health – upon comfort and luxury – upon want and superfluity – upon food and upon raiment – on washing, and on cleanliness. He called it a heartless and tyrant tax, as inexorable as it was omnipotent and omnipresent; a tax which no economy could avoid – no poverty could shun – no privation escape – no cunning elude – no force resist – no dexterity avert – no curses repulse – no prayers could deprecate. It was a tax which invaded the entire dominion of human operations, falling with its greatest weight upon the most helpless, and the most meritorious; and depriving the nation of benefits infinitely transcending in value, the amount of its own product. I devote myself, said Mr. B., to the extirpation of this odious tax, and its still more odious progeny – *the salt monopoly of the West*. I war against them while they exist, and while I remain on this floor. Twelve years have passed away – two years more than the siege of Troy lasted – since I began this contest. Nothing disheartened by so many defeats, in so long a time, I prosecute the war with unabated vigor; and, relying upon the goodness of the cause, firmly calculate upon ultimate and final success.

CHAPTER XLVII.
PAIRING OFF

At this time, and in the House of Representatives, was exhibited for the first time, the spectacle of members "*pairing off*," as the phrase was; that is to say, two members of opposite political parties agreeing to absent themselves from the duties of the House, without the consent of the House, and without deducting their per diem pay during the time of such voluntary absence. Such agreements were a clear breach of the rules of the House, a disregard of the constitution, and a practice open to the grossest abuses. An instance of the kind was avowed on the floor by one of the parties to the agreement, by giving as a reason for not voting that he had "*paired off*" with another member, whose affairs required him to go home. It was a strange annunciation, and called for rebuke; and there was a member present who had the spirit to administer it; and from whom it came with the greatest propriety on account of his age and dignity, and perfect attention to all his duties as a member, both in his attendance in the House and in the committee rooms. That member was Mr. John Quincy Adams, who immediately proposed to the House the adoption of this resolution: "Resolved, that the practice first openly avowed at the present session of Congress, of pairing off, involves, on the part of the members resorting to it, the violation of the constitution of the United States, of an express rule of this House, and of the duties of both parties in the transaction to their immediate constituents, to this House, and to their country." This resolve was placed on the calendar to take its turn, but not being reached during the session, was not voted upon. That was the first instance of this reprehensible practice, fifty years after the government had gone into operation; but since then it has become common, and even inveterate, and is carried to great length. Members pair off, and do as they please – either remain in the city, refusing to attend to any duty, or go off together to neighboring cities; or separate; one staying and one going; and the one that remains sometimes standing up in his place, and telling the Speaker of the House that he had paired off; and so refusing to vote. There is no justification for such conduct, and it becomes a facile way for shirking duty, and evading responsibility. If a member is under a necessity to go away the rules of the House require him to ask leave; and the journals of the early Congresses are full of such applications. If he is compelled to go, it is his misfortune, and should not be communicated to another. This writer had never seen an instance of it in the Senate during his thirty years of service there; but the practice has since penetrated that body; and "pairing off" has become as common in that House as in the other, in proportion to its numbers, and with an aggravation of the evil, as the absence of a senator is a loss to his State of half its weight. As a consequence, the two Houses are habitually found voting with deficient numbers – often to the extent of a third – often with a bare quorum.

In the first age of the government no member absented himself from the service of the House to which he belonged without first asking, and obtaining its leave; or, if called off suddenly, a colleague was engaged to state the circumstance to the House, and ask the leave. In the journals of the two Houses, for the first thirty years of the government, there is, in the index, a regular head for "absent without leave;" and, turning to the indicated page, every such name will be seen. That head in the index has disappeared in later times. I recollect no instance of leave asked since the last of the early members – the Macons, Randolphs, Rufus Kings, Samuel Smiths, and John Taylors of Caroline – disappeared from the halls of Congress.

CHAPTER XLVIII.
TAX ON BANK NOTES: MR. BENTON'S SPEECH: EXTRACTS:

Mr. Benton brought forward his promised motion for leave to bring in a bill to tax the circulation of banks and bankers, and of all corporations, companies or individuals which issued paper currency. He said nothing was more reasonable than to require the moneyed interest which was employed in banking, and especially in that branch of banking which was dedicated to the profitable business of converting lampblack and rags into money, to contribute to the support of the government. It was a large interest, very able, and very proper, to pay taxes, and which paid nothing on their profitable issues – profitable to them – injurious to the country. It was an interest which possessed many privileges over the rest of the community by law; which usurped many others which the laws did not grant; which, in fact, set the laws and the government at defiance whenever it pleased; and which, in addition to all these privileges and advantages, was entirely exempt from federal taxation. While the producing and laboring classes were all taxed; while these meritorious classes, with their small incomes, were taxed in their comforts and necessaries – in their salt, iron, sugar, blankets, hats, coats and shoes, and so many other articles – the banking interest, which dealt in hundreds of millions, which manufactured and monopolized money, which put up and put down prices, and held the whole country subject to its power, and tributary to its wealth, paid nothing. This was wrong in itself, and unjust to the rest of the community. It was an error or mistake in government which he had long intended to bring to the notice of the Senate and the country; and he judged the present conjuncture to be a proper time for doing it. Revenue is wanted. A general revision of the tariff is about to take place. An adjustment of the taxes for a long period is about to be made. This is the time to bring forward the banking interest to bear their share of the public burdens, and the more so, as they are now in the fact of proving themselves to be a great burden on the public, and the public mind is beginning to consider whether there is any way to make them amenable to law and government.

In other countries, Mr. B. said, the banking interest was subject to taxation. He knew of no country in which banking was tolerated, except our own, in which it was not taxed. In Great Britain – that country from which we borrow the banking system – the banking interest pays its fair and full proportion of the public taxes: it pays at present near four millions of dollars. It paid in 1836 the sum of $3,725,400: in 1837 it paid $3,594,300. These were the last years for which he had seen the details of the British taxation, and the amounts he had stated comprehended the bank tax upon the whole united kingdom: upon Scotland and Ireland, as well as upon England and Wales. It was a handsome item in the budget of British taxation, and was levied on two branches of the banking business: on the circulation, and on bills of exchange. In the bill which he intended to bring forward, the circulation alone was proposed to be taxed; and, in that respect, the paper system would still remain more favored here than it was in Great Britain.

In our own country, Mr. B. said, the banking interest had formerly been taxed, and that in all its branches; in its circulation, its discounts, and its bills of exchange. This was during the late war with Great Britain; and though the banking business was then small compared to what it is now, yet the product of the tax was considerable, and well worth the gathering: it was about $500,000 per annum. At the end of the war this tax was abolished; while most of the war taxes, laid at the same time, for the same purpose, and for the same period, were continued in force; among them the tax on salt, and other necessaries of life. By a perversion of every principle of righteous taxation, the tax on banks was abolished, and that on salt was continued. This has remained the case for twenty-five years, and it is time to reverse the proceeding. It is time to make the banks pay and to let salt go free.

Mr. B. next stated the manner of levying the bank tax at present in Great Britain, which he said was done with great facility and simplicity. It was a levy of a fixed sum on the average circulation of the year, which the bank was required to give in for taxation like any other property, and the amount collected by a distress warrant if not paid. This simple and obvious method of making the levy, had been adopted in 1815, and had been followed ever since. Before that time it was effected through the instrumentality of a stamp duty; a stamp being required for each note, but with the privilege of compounding for a gross sum. In 1815 the option of compounding was dropped: a gross amount was fixed by law as the tax upon every million of the circulation; and this change in the mode of collection has operated so beneficially that, though temporary at first, it has been made permanent. The amount fixed was at the rate of £3,500 for every million. This was for the circulation only: a separate, and much heavier tax was laid upon bills of exchange, to be collected by a stamp duty, without the privilege of composition.

Mr. B. here read, from a recent history of the Bank of England, a brief account of the taxation of the circulation of that institution for the last fifty years – from 1790 to the present time. It was at that time that her circulation began to be taxed, because at that time only did she begin to have a circulation which displaced the specie of the country. She then began to issue notes under ten pounds, having been first chartered with the privilege of issuing none less than one hundred pounds. It was a century – from 1694 to 1790 – before she got down to £5, and afterwards to £2, and to £1; and from that time the specie basis was displaced, the currency convulsed, and the banks suspending and breaking. The government indemnified itself, in a small degree, for the mischiefs of the pestiferous currency which it had authorized; and the extract which he was about to read was the history of the taxation on the Bank of England notes which, commencing at the small composition of £12,000 per annum, now amounts to a large proportion of the near four millions of dollars which the paper system pays annually to the British Treasury. He read:

> "The Bank, till lately, has always been particularly favored in the composition which they paid for stamp duties. In 1791, they paid composition of £12,000 per annum, in lieu of all stamps, either on bill or notes. In 1799, on an increase of the stamp duty, their composition was advanced to £20,000; and an addition of £4,000 for notes issued under £5, raised the whole to £24,000. In 1804, an addition of not less than fifty per cent. was made to the stamp duty; but, although the Bank circulation of notes under £5 had increased from one and a half to four and a half millions, the whole composition was only raised from £24,000 to £32,000. In 1808, there was a further increase of thirty-three per cent. to the stamp duty, at which time the composition was raised from £32,000 to £42,000. In both these instances, the increase was not in proportion even to the increase of duty; and no allowance whatever was made for the increase in the amount of the bank circulation. It was not till the session of 1815, on a further increase of the stamp duty, that the new principle was established, and the Bank compelled to pay a composition in some proportion to the amount of their circulation. The composition is now fixed as follows: Upon the average circulation of the preceding year, the Bank is to pay at the rate of £3,500 per million, on their aggregate circulation, without reference to the different classes and value of their notes. The establishment of this principle, it is calculated, caused a saving to the public, in the years 1815 and 1816, of £70,000. By the neglect of this principle, which ought to have been adopted in 1799, Mr. Ricardo estimated the public to have been *losers*, and the Bank consequently *gainers*, of no less a sum than *half a million*."

Mr. B. remarked briefly upon the equity of this tax, the simplicity of its levy since 1815, and its large product. He deemed it the proper model to be followed in the United States, unless we should

go on the principle of copying all that was evil, and rejecting all that was good in the British paper system. We borrowed the banking system from the English, with all its foreign vices, and then added others of our own to it. England has suppressed the pestilence of notes under £5 (near $25); we retain small notes down to a dollar, and thence to the fractional parts of a dollar. She has taxed all notes; and those under £5 she taxed highest while she had them; we, on the contrary, tax none. The additional tax of £4,000 on the notes under £5 rested on the fair principle of taxing highest that which was most profitable to the owner, and most injurious to the country. The small notes fell within that category, and therefore paid highest.

Having thus shown that bank circulation was now taxed in Great Britain, and had been for fifty years, he proceeded to show that it had also been taxed in the United States. This was in the year 1813. In the month of August of that year, a stamp-act was passed, applicable to banks and to bankers, and taxing them in the three great branches of their business, to wit: the circulation, the discounts, and the bills of exchange. On the circulation, the tax commenced at one cent on a one dollar note, and rose gradually to fifty dollars on notes exceeding one thousand dollars; with the privilege of compounding for a gross sum in lieu of the duty. On the discounts, the tax began at five cents on notes discounted for one hundred dollars, and rose gradually to five dollars on notes of eight thousand dollars and upwards. On bills of exchange, it began at five cents on bills of fifty dollars, and rose to five dollars on those of eight thousand dollars and upwards.

Such was the tax, continued Mr. B., which the moneyed interest, employed in banking, was required to pay in 1813, and which it continued to pay until 1817. In that year the banks were released from taxation, while taxes were continued upon all the comforts and necessaries of life. Taxes are now continued upon articles of prime necessity – upon salt even – and the question will now go before the Senate and country, whether the banking interest, which has now grown so rich and powerful – which monopolizes the money of the country – beards the government – makes distress or prosperity when it pleases – the question is now come whether this interest shall continue to be exempt from tax, while every thing else has to pay.

Mr. B. said he did not know how the banking interest of the present day would relish a proposition to make them contribute to the support of the government. He did not know how they would take it; but he did know how a banker of the old school – one who paid on sight, according to his promise, and never broke a promise to the holder of his notes – he did know how *such* a banker viewed the act of 1813; and he would exhibit his behavior to the Senate; he spoke of the late Stephen Girard of Philadelphia; and he would let him speak for himself by reading some passages from a petition which he presented to Congress the year after the tax on bank notes was laid.

Mr. B. read:

> "That your memorialist has established a bank in the city of Philadelphia, upon the foundation of his own individual fortune and credit, and for his own exclusive emolument, and that he is willing most cheerfully to contribute, in common with his fellow-citizens throughout the United States, a full proportion of the taxes which have been imposed for the support of the national government, according to the profits of his occupation and the value of his estate; but a construction has been given to the acts of Congress laying duties on notes of banks, &c., from which great difficulties have occurred, and great inequalities daily produced to the disadvantage of his bank, that were not, it is confidently believed, within the contemplation of the legislature. And your memorialist having submitted these considerations to the wisdom of Congress, respectfully prays, that the act of Congress may be so amended as to permit the Secretary of the Treasury to enter into a composition for the stamp duty, in the case of private bankers, as well as in the case of corporations

> and companies, or so as to render the duty equal in its operations upon every denomination of bankers."

Mr. B. had read these passages from Mr. Girard's petition to Congress in 1814, *first*, for the purpose of showing the readiness with which a banker of the old school paid the taxes which the government imposed upon his business; and, next, to show the very considerable amount of that tax, which on the circulation alone amounted to ten thousand dollars on the million. All this, with the additional tax on the discounts, and on the bills of exchange, Mr. Girard was entirely willing to pay, provided all paid alike. All he asked was equality of taxation, and that he might have the benefit of the same composition which was allowed to incorporated banks. This was a reasonable request, and was immediately granted by Congress.

Mr. B. said revenue was one object of his bill: the regulation of the currency by the suppression of small notes and the consequent protection of the constitutional currency, was another: and for that purpose the tax was proposed to be heaviest on notes under twenty dollars, and to be augmented annually until it accomplished its object.

CHAPTER XLIX.
LIBERATION OF SLAVES BELONGING TO AMERICAN CITIZENS IN BRITISH COLONIAL PORTS

Up to this time, and within a period of ten years, three instances of this kind had occurred. First, that of the schooner Comet. This vessel sailed from the District of Columbia in the year 1830, destined for New Orleans, having, among other things, a number of slaves on board. Her papers were regular, and the voyage in all respects lawful. She was stranded on one of the false keys of the Bahama Islands, opposite to the coast of Florida, and almost in sight of our own shores. The persons on board, including the slaves, were taken by the wreckers, against the remonstrance of the captain and the owners of the slaves, into Nassau, New Providence – one of the Bahama Islands; where the slaves were forcibly seized and detained by the local authorities. The second was the case of the Encomium. She sailed from Charleston in 1834, destined to New Orleans, on a voyage lawful and regular, and was stranded near the same place, and with the same fate with the Comet. She was carried into Nassau, where the slaves were also seized and detained by the local authorities. The slaves belonged to the Messrs. Waddell of North Carolina, among the most respectable inhabitants of the State, and on their way to Louisiana with a view to a permanent settlement in that State. The third case was that of the Enterprize, sailing from the District of Columbia in 1835, destined for Charleston, South Carolina, on a lawful voyage, and with regular papers. She was forced unavoidably, by stress of weather, into Port Hamilton, Bermuda Island, where the slaves on board were forcibly seized and detained by the local authorities. The owners of the slaves, protesting in vain, at the time, and in every instance, against this seizure of their property, afterwards applied to their own government for redress; and after years of negotiation with Great Britain, redress was obtained in the two first cases – the full value of the slaves being delivered to the United States, to be paid to the owners. This was accomplished during Mr. Van Buren's administration, the negotiation having commenced under that of President Jackson. Compensation in the case of the Enterprize had been refused; and the reason given for the distinction in the cases, was, that the two first happened during the time that slavery existed in the British West India colonies – the latter after its abolition there. All these were coasting voyages between one port of the United States and another, and involved practical questions of great interest to all the slave States. Mr. Calhoun brought the question before the Senate in a set of resolutions which he drew up for the occasion; and which were in these words:

> "*Resolved*, That a ship or a vessel on the high seas, in time of peace, engaged in a lawful voyage, is, according to the laws of nations, under the exclusive jurisdiction of the State to which her flag belongs; as much so as if constituting a part of its own domain.
>
> "*Resolved*, That if such ship or vessel should be forced by stress of weather, or other unavoidable cause, into the port of a friendly power, she would, under the same laws, lose none of the rights appertaining to her on the high seas; but, on the contrary, she and her cargo and persons on board, with their property, and all the rights belonging to their personal relations, as established by the laws of the State to which they belong, would be placed under the protection which the laws of nations extend to the unfortunate under such circumstances.
>
> "*Resolved*, That the brig Enterprize, which was forced unavoidably by stress of weather into Port Hamilton, Bermuda Island, while on a lawful voyage on the high seas from one port of the Union to another, comes within the principles embraced in the foregoing resolutions; and that the seizure and detention of the negroes on board

> by the local authority of the island, was an act in violation of the laws of nations, and highly unjust to our own citizens to whom they belong."

It was in this latter case that Mr. Calhoun wished to obtain the judgment of the Senate, and the point he had to argue was, whether a municipal regulation of Great Britain could alter the law of nations? Under that law she made indemnity for the slaves liberated in the two first cases: under her own municipal law she denied it in the latter case. The distinction taken by the British minister was, that in the first cases, slavery existing in this British colony and recognized by law, the persons coming in with their slaves had a property in them which had been divested: in the latter case that slavery being no longer recognized in this colony, there was no property in them after their arrival; and consequently no rights divested. Mr. Calhoun admitted that would be the case if the entrance had been voluntary; but denied it where the entrance was forced; as in this case. His argument was:

> "I object not to the rule. If our citizens had no right to their slaves, at any time after they entered the British territory – that is, if the mere fact of entering extinguished all right to them (for that is the amount of the rule) – they could, of course, have no claim on the British government, for the plain reason that the local authority, in seizing and detaining the negroes, seized and detained what, by supposition, did not belong to them. That is clear enough; but let us see the application: it is given in a few words. He says: 'Now the owners of the slaves on board the Enterprize never were lawfully in possession of those slaves within the British territory;' assigning for reason, 'that before the Enterprize arrived at Bermuda, slavery had been abolished in the British empire' – an assertion which I shall show, in a subsequent part of my remarks, to be erroneous. From that, and that alone, he comes to the conclusion, 'that the negroes on board the Enterprize had, by entering within the British jurisdiction, acquired rights which the local courts were bound to protect.' Such certainly would have been the case if they had been brought in, or entered voluntarily. He who enters voluntarily the territory of another State, tacitly submits himself, with all his rights, to its laws, and is as much bound to submit to them as its citizens or subjects. No one denies that; but that is not the present case. They entered not voluntarily, but from necessity; and the very point at issue is, whether the British municipal laws could divest their owners of property in their slaves on entering British territory, in cases such as the Enterprize, when the vessel has been forced into their territory by necessity, through an act of Providence, to save the lives of those on board. We deny they can, and maintain the opposite ground: – that the law of nations in such cases interposes and protects the vessel and those on board, with their rights, against the municipal laws of the State, to which they have never submitted, and to which it would be cruel and inhuman, as well as unjust, to subject them. Such is clearly the point at issue between the two governments; and it is not less clear, that it is the very point assumed by the British negotiator in the controversy."

This is fair reasoning upon the law of the case, and certainly left the law of nations in full force in favor of the American owners. The equity of the case was also fully stated and the injury shown to be of a practical kind, which self-protection required the United States to prevent for the future. In this sense, Mr. Calhoun argued:

> "To us this is not a mere abstract question, nor one simply relating to the free use of the high seas. It comes nearer home. It is one of free and safe passage from one port to another of our Union; as much so to us, as a question touching the free and safe use of the channels between England and Ireland on the one side, and the opposite coast of the continent on the other, would be to Great Britain.

> To understand its deep importance to us, it must be borne in mind, that the island of Bermuda lies but a short distance off our coast, and that the channel between the Bahama islands and Florida is not less than two hundred miles in length, and on an average not more than fifty wide; and that through this long, narrow and difficult channel, the immense trade between our ports on the Gulf of Mexico and the Atlantic coast must pass, which, at no distant period, will constitute more than half of the trade of the Union. The principle set up by the British government, if carried out to its full extent, would do much to close this all-important channel, by rendering it too hazardous for use. She has only to give an indefinite extension to the principle applied to the case of the Enterprize, and the work would be done; and why has she not as good a right to apply it to a cargo of sugar or cotton, as to the slaves who produced it."

The resolutions were referred to the committee on foreign relations, which reported them back with some slight alteration, not affecting or impairing their force; and in that form they were unanimously adopted by the Senate. Although there was no opposition to them, the importance of the occasion justified a record of the vote: and they were accordingly taken by yeas and nays – or rather, by yeas: for there were no nays. This was one of the occasions on which the mind loves to dwell, when, on a question purely sectional and Southern, and wholly in the interest of slave property, there was no division of sentiment in the American Senate.

CHAPTER L.
RESIGNATION OF SENATOR HUGH LAWSON WHITE OF TENNESSEE: HIS DEATH: SOME NOTICE OF HIS LIFE AND CHARACTER

This resignation took place under circumstances, not frequent, but sometimes occurring in the Senate – that of receiving instructions from the General Assembly of his State, which either operate as a censure upon a senator, or require him to do something which either his conscience, or his honor forbids. Mr. White at this time – the session of 1839-'40 – received instructions from the General Assembly of his State which affected him in both ways – condemning past conduct, and prescribing a future course which he could not follow. He had been democratic from his youth – came into the Senate – had grown aged – as such: but of late years had voted generally with the whigs on their leading measures, and classed politically with them in opposition to Mr. Van Buren. In these circumstances he received instructions to reverse his course of voting on these leading measures – naming them; and requiring him to support the administration of Mr. Van Buren. He consulted his self-respect, as well as obeyed a democratic principle; and sent in his resignation. It was the conclusion of a public life which disappointed its whole previous course. From his youth he had been a popular man, and that as the fair reward of conduct, without practising an art to obtain it, or even seeming to know that he was winning it. Bred a lawyer, and coming early to the bar, he was noted for a probity, modesty and gravity – with a learning, ability, assiduity and patience – which marked him for the judicial bench: and he was soon placed upon it – that of the Superior Court. Afterwards, when the judiciary of the State was remodelled, he was placed on the bench of the Supreme Court. It was considered a favor to the public to get him to take the place. That is well known to the writer of this View, then a member of the General Assembly of Tennessee, and the author of the new modelled judiciary. He applied to Judge White, who had at that time returned to the bar to know if he would take the place; and considered the new system accredited with the public on receiving his answer that he would. That was all that he had to do with getting the appointment: he was elected unanimously by the General Assembly, with whom the appointment rested. That is about the way in which he received all his appointments, either from his State, or from the federal government – merely agreeing to take the office if it was offered to him; but not always agreeing to accept: often refusing – as in the case of a cabinet appointment offered him by President Jackson, his political and personal friend of forty years' standing. It was long before he would enter a political career, but finally consented to become senator in the Congress of the United States: always discharging the duties of an office, when accepted, with the assiduity of a man who felt himself to be a machine in the hands of his duty; and with an integrity of purpose which left his name without spot or stain. It is beautiful to contemplate such a career; sad to see it set under a cloud in his advanced years. He became alienated from his old friends, both personally and politically – even from General Jackson; and eventually fell under the censure of his State, as above related – that State which, for more than forty years, had considered it a favor to itself that he should accept the highest offices in her gift. He resigned in January, and died in May – his death accelerated by the chagrin of his spirit; for he was a man of strong feelings, though of such measured and quiet deportment. His death was announced in the Senate by the senator who was his colleague at the time of his resignation – Mr. Alexander Anderson; and the motion for the usual honors to his memory was seconded by Senator Preston, who pronounced on the occasion a eulogium on the deceased as just as it was beautiful.

"I do not know, Mr. President, whether I am entitled to the honor I am about to assume in seconding the resolutions which have just been offered by the senator

from Tennessee, in honor of his late distinguished colleague; and yet, sir, I am not aware that any one present is more entitled to this melancholy honor, if it belongs to long acquaintance, to sincere admiration, and to intimate intercourse. If these circumstances do not entitle me to speak, I am sure every senator will feel, in the emotions which swell his own bosom, an apology for my desire to relieve my own, by bearing testimony to the virtues and talents, the long services and great usefulness, of Judge White.

"My infancy and youth were spent in a region contiguous to the sphere of his earlier fame and usefulness. As long as I can remember any thing, I remember the deep confidence he had inspired as a wise and upright judge, in which station no man ever enjoyed a purer reputation, or established a more implicit reliance in his abilities and honesty. There was an antique sternness and justness in his character. By a general consent he was called Cato. Subsequently, at a period of our public affairs very analogous to the present, he occupied a position which placed him at the head of the financial institutions of East Tennessee. He sustained them by his individual character. The name of Hugh L. White was a guarantee that never failed to attract confidence. Institutions were sustained by the credit of an individual, and the only wealth of that individual was his character. From this more limited sphere of usefulness and reputation, he was first brought to this more conspicuous stage as a member of an important commission on the Spanish treaty, in which he was associated with Mr. Tazewell and Mr. King. His learning, his ability, his firmness, and industry, immediately extended the sphere of his reputation to the boundaries of the country. Upon the completion of that duty, he came into this Senate. Of his career here, I need not speak. His grave and venerable form is even now before us – that air of patient attention, of grave deliberation, of unrelaxed firmness. Here his position was of the highest – beloved, respected, honored; always in his place – always prepared for the business in hand – always bringing to it the treasured reflections of a sedate and vigorous understanding. Over one department of our deliberations he exercised a very peculiar control. In the management of our complex and difficult relations with the Indians we all deferred to him, and to this he addressed himself with unsparing labor, and with a wisdom, a patient benevolence, that justified and vindicated the confidence of the Senate.

"In private life he was amiable and ardent. The current of his feelings was warm and strong. His long familiarity with public affairs had not damped the natural ardor of his temperament. We all remember the deep feeling with which he so recently took leave of this body, and how profoundly that feeling was reciprocated. The good will, the love, the respect which we bestowed upon him then, now give depth and energy to the mournful feelings with which we offer a solemn tribute to his memory."

And here this notice would stop if it was the design of this work merely to write on the outside of history – merely to chronicle events; but that is not the design. Inside views are the main design: and this notice of Senator White's life and character would be very imperfect, and vitally deficient, if it did not tell how it happened that a man so favored by his State during a long life should have lost that favor in his last days – received censure from those who had always given praise – and gone to his grave under a cloud after having lived in sunshine. The reason is briefly told. In his advanced age he did the act which, with all old men, is an experiment; and, with most of them, an unlucky one. He married again: and this new wife having made an immense stride from the head of a boarding-house table to the head of a senator's table, could see no reason why she should not take one step more, and that comparatively short, and arrive at the head of the presidential table. This was before

the presidential election of 1836. Mr. Van Buren was the generally accepted democratic candidate: he was foremost of all the candidates: and the man who is ahead of all the rest, on such occasions, is pretty sure to have a combination of all the rest against him. Mr. Van Buren was no exception to this rule. The whole whig party wished to defeat him: that was a fair wish. Mr. Calhoun's party wished to defeat him: that was invidious: for they could not elect Mr. Calhoun by it. Many professing democrats wished to defeat him, though for the benefit of a whig: and that was a movement towards the whig camp – where most of them eventually arrived. All these parties combined, and worked in concert; and their line of operations was through the vanity of the victim's wife. They excited her vain hopes. And this modest, unambitious man, who had spent all his life in resisting office pressed upon him by his real friends, lost his power of resistance in his old age, and became a victim to the combination against him – which all saw, and deplored, except himself. As soon as he was committed, and beyond extrication, one of the co-operators against him, a whig member of Congress from Kentucky – a witty, sagacious man of good tact – in the exultation of his feelings wrote the news to a friend in his district, who, in a still higher state of exultation, sent it to the newspapers – thus: "*Judge White is on the track, running gayly, and won't come off; and if he would, his wife won't let him.*" This was the whole story, briefly and cheerily told – and truly. He ran the race! without prejudice to Mr. Van Buren – without benefit to the whig candidates – without support from some who had incited him to the trial: and with great political and social damage to himself.

Long an inhabitant of the same State with Judge White – indebted to him for my law license – moving in the same social and political circle – accustomed to respect and admire him – sincerely friendly to him, and anxious for his peace and honor, I saw with pain the progress of the movement against him, and witnessed with profound grief its calamitous consummation.

CHAPTER LI.
DEATH OF EX-SENATOR HAYNE OF SOUTH CAROLINA: NOTICE OF HIS LIFE AND CHARACTER

Nature had lavished upon him all the gifts which lead to eminence in public, and to happiness, in private life. Beginning with the person and manners – minor advantages, but never to be overlooked when possessed – he was entirely fortunate in these accessorial advantages. His person was of the middle size, slightly above it in height, well proportioned, flexible and graceful. His face was fine – the features manly, well formed, expressive, and bordering on the handsome: a countenance ordinarily thoughtful and serious, but readily lighting up, when accosted, with an expression of kindness, intelligence, cheerfulness, and an inviting amiability. His face was then the reflex of his head and his heart, and ready for the artist who could seize the moment to paint to the life. His manners were easy, cordial, unaffected, affable; and his address so winning, that the fascinated stranger was taken captive at the first salutation. These personal qualities were backed by those of the mind – all solid, brilliant, practical, and utilitarian: and always employed on useful objects, pursued from high motives, and by fair and open means. His judgment was good, and he exercised it in the serious consideration of whatever business he was engaged upon, with an honest desire to do what was right, and a laudable ambition to achieve an honorable fame. He had a copious and ready elocution, flowing at will in a strong and steady current, and rich in the material which constitutes argument. His talents were various, and shone in different walks of life, not often united: eminent as a lawyer, distinguished as a senator: a writer as well as a speaker: and good at the council table. All these advantages were enforced by exemplary morals; and improved by habits of study, moderation, temperance, self-control, and addiction to business. There was nothing holiday, or empty about him – no lying in to be delivered of a speech of phrases. Practical was the turn of his mind: industry an attribute of his nature: labor an inherent impulsion, and a habit: and during his ten years of senatorial service his name was incessantly connected with the business of the Senate. He was ready for all work – speaking, writing, consulting – in the committee-room as well as in the chamber – drawing bills and reports in private, as well as shining in the public debate, and ready for the social intercourse of the evening when the labors of the day were over. A desire to do service to the country, and to earn just fame for himself, by working at useful objects, brought all these high qualities into constant, active, and brilliant requisition. To do good, by fair means, was the labor of his senatorial life; and I can truly say that, in ten years of close association with him I never saw him actuated by a sinister motive, a selfish calculation, or an unbecoming aspiration.

Thus, having within himself so many qualities and requisites for insuring advancement in life, he also had extrinsic advantages, auxiliary to talent, and which contribute to success in a public career. He was well descended, and bore a name dear to the South – the synonym of honor, courage, and patriotism – memorable for that untimely and cruel death of one of its revolutionary wearers, which filled the country with pity for his fate, and horror for his British executioners. The name of Hayne, pronounced any where in the South, and especially in South Carolina, roused a feeling of love and respect, and stood for a passport to honor, until deeds should win distinction. Powerfully and extensively connected by blood and marriage, he had the generous support which family pride and policy extends to a promising scion of the connection. He had fortune, which gave him the advantage of education, and of social position, and left free to cultivate his talents, and to devote them to the public service. Resident in Charleston, still maintaining its colonial reputation for refined society, and high and various talent, he had every advantage of enlightened and elegant association. Twice happily married in congenial families (Pinckney and Alston), his domestic felicity was kept complete, his connections extended, and fortune augmented. To crown all, and to give effect to every gift with which

nature and fortune had endowed him, he had that further advantage, which the Grecian Plutarch never fails to enumerate when the case permits it, and which he considered so auxiliary to the advancement of some of the eminent men whose lives he commemorated – the advantage of being born in a State where native talent was cherished, and where the community made it a policy to advance and sustain a promising young man, as the property of the State, and for the good of the State. Such was, and is, South Carolina; and the young Hayne had the full benefit of the generous sentiment. As fast as years permitted, he was advanced in the State government: as soon as age and the federal constitution permitted, he came direct to the Senate, without passing through the House of Representatives; and to such a Senate as the body then was – Rufus King, John Taylor of Caroline, Mr. Macon, John Gaillard, Edward Lloyd of Maryland, James Lloyd of Massachusetts, James Barbour of Virginia, General Jackson, Louis McLane of Delaware, Wm. Pinkney of Maryland, Littleton Waller Tazewell, Webster, Nathan Sandford, of New York, M. Van Buren, King of Alabama, Samuel Smith of Maryland, James Brown, and Henry Johnson of Louisiana; and many others, less known to fame, but honorable to the Senate from personal decorum, business talent, and dignity of character. Hayne arrived among them; and was considered by such men, and among such men, as an accession to the talent and character of the chamber. I know the estimate they put upon him, the consideration they had for him, and the future they pictured for him: for they were men to look around, and consider who were to carry on the government after they were gone. But the proceedings of the Senate soon gave the highest evidence of the degree of consideration in which he was held. In the very second year of his service, he was appointed to a high duty – such as would belong to age and long service, as well as to talent and elevated character. He was made chairman of the select committee – and select it was – which brought in the bill for the grants ($200,000 in money, and 24,000 acres of land), to Lafayette; and as such became the organ of the expositions, as delicate as they were responsible, which reconciled such grants to the words and spirit of our constitution, and adjusted them to the merit and modesty of the receiver: a high function, and which he fulfilled to the satisfaction of the chamber, and the country.

Six years afterwards he had the great debate with Mr. Webster – a contest of many days, sustained to the last without losing its interest – (which bespoke fertility of resource, as well as ability in both speakers), and in which his adversary had the advantage of a more ripened intellect, an established national reputation, ample preparation, the choice of attack, and the goodness of the cause. Mr. Webster came into that field upon choice and deliberation, well feeling the grandeur of the occasion; and profoundly studying his part. He had observed during the summer, the signs in South Carolina, and marked the proceedings of some public meetings unfriendly to the Union; and which he ran back to the incubation of Mr. Calhoun. He became the champion of the constitution and the Union, choosing his time and occasion, hanging his speech upon a disputed motion with which it had nothing to do, and which was immediately lost sight of in the blaze and expansion of a great national discussion: himself armed and equipped for the contest, glittering in the panoply of every species of parliamentary and forensic weapon – solid argument, playful wit, biting sarcasm, classic allusion; and striking at a new doctrine of South Carolina origin, in which Hayne was not implicated: but his friends were – and that made him their defender. The speech was *at* Mr. Calhoun, then presiding in the Senate, and without right to reply. Hayne became his sword and buckler, and had much use for the latter to cover his friend – hit by incessant blows – cut by many thrusts: but he understood too well the science of defence in wordy as well as military digladiation to confine himself to fending off. He returned, as well as received blows; but all conducted courteously; and stings when inflicted gently extracted on either side by delicate compliments. Each morning he returned re-invigorated to the contest, like Antæus refreshed, not from a fabulous contact with mother earth, but from a real communion with Mr. Calhoun! the actual subject of Mr. Webster's attack: and from the well-stored arsenal of his powerful and subtle mind, he nightly drew auxiliary supplies. Friends relieved the combatants occasionally; but it was only to relieve; and the two principal figures remained prominent to the last. To speak of the issue would be superfluous; but there was much in the arduous struggle

to console the younger senator. To cope with Webster, was a distinction: not to be crushed by him, was almost a victory: to rival him in copious and graceful elocution, was to establish an equality at a point which strikes the masses: and Hayne often had the crowded galleries with him. But, equal argument! that was impossible. The cause forbid it, far more than disparity of force; and reversed positions would have reversed the issue.

I have said elsewhere (Vol. I. of this work), that I deem Mr. Hayne to have been entirely sincere in professing nullification at that time only in the sense of the Virginia resolutions of '98-'99, as expounded by their authors: three years afterwards he left his place in the Senate to become Governor of South Carolina, to enforce the nullification ordinance which the General Assembly of the State had passed, and against which President Jackson put forth his impressive proclamation. Up to this point, in writing this notice, the pen had run on with pride and pleasure – pride in portraying a shining American character: pleasure in recalling recollections of an eminent man, whom I esteemed – who did me the honor to call me friend; and with whom I was intimate. Of all the senators he seemed nearest to me – both young in the Senate, entering it nearly together; born in adjoining States; not wide apart in age; a similarity of political principle: and, I may add, some conformity of tastes and habits. Of all the young generation of statesmen coming on, I considered him the safest – the most like William Lowndes; and best entitled to a future eminent lead. He was democratic, not in the modern sense of the term, as never bolting a caucus nomination, and never thinking differently from the actual administration; but on principle, as founded in a strict, in contradistinction to a latitudinarian construction of the constitution; and as cherishing simplicity and economy in the administration of the federal government, in contradistinction to splendor and extravagance.

With his retiring from the Senate, Mr. Hayne's national history ceases. He does not appear afterwards upon the theatre of national affairs: but his practical utilitarian mind, and ardent industry, found ample and beneficent employment in some noble works of internal improvement. The railroad system of South Carolina, with its extended ramifications, must admit him for its founder, from the zeal he carried into it, and the impulsion he gave it. He died in the meridian of his life, and in the midst of his usefulness, and in the field of his labors – in western North Carolina, on the advancing line of the great iron railway, which is to connect the greatest part of the South Atlantic with the noblest part of the Valley of the Mississippi.

The nullification ordinance, which he became Governor of South Carolina to enforce, was wholly directed against the tariff system of the time – not merely against a protective tariff, but against its fruits – undue levy of revenue, extravagant expenditure; and expenditure in one quarter of the Union of what was levied upon the other. The levy and expenditure were then some twenty-five millions of dollars: they are now seventy-five millions: and the South, while deeply agitated for the safety of slave property – (now as safe, and more valuable than ever, as proved by the witness which makes no mistakes, *the market price*) – is quiet upon the evil which produced the nullification ordinance of 1832: quiet under it, although that evil is three times greater now than then: and without excuse, as the present vast expenditure is the mere effect of mad extravagance. Is this quietude a condemnation of that ordinance? or, is it of the nature of an imaginary danger which inflames the passions, that it should supersede the real evil which affects the pocket? If the Hayne of 1824, and 1832, was now alive, I think his practical and utilitarian mind would be seeking a proper remedy for the real grievance, now so much greater than ever; and that he would leave the fires of an imaginary danger to die out of themselves, for want of fuel.

CHAPTER LII.
ABOLITION OF SPECIFIC DUTIES BY THE COMPROMISE ACT OF 1833: ITS ERROR, AND LOSS TO THE REVENUE, SHOWN BY EXPERIENCE

The introduction of the universal *ad valorem* system in 1833 was opposed and deprecated by practical men at the time, as one of those refined subtleties which, aiming at an ideal perfection, overlooks the experience of ages, and disregards the warnings of reason. Specific duties had been the rule – ad valorems the exception – from the beginning of the collection of custom-house revenue. The specific duty was a question in the exact sciences, depending upon a mathematical solution by weight, count, or measure: the ad valorem presented a question to the fallible judgment of men, sure to be different at different places; and subject, in addition to the fallibility of judgment, to the chances of ignorance, indifference, negligence and corruption. All this was urged against the act at the time, but in vain. It was a piece of legislation arranged out of doors – christened a compromise, which was to save the Union – brought into the House to be passed without alteration: and was so passed, in defiance of all judgment and reason by the aid of the votes of those – always a considerable per centum in every public body – to whom the name of compromise is an irresistible attraction: amiable men, who would do no wrong of themselves, and without whom the designing could do but little wrong. Objections to this pernicious novelty (of universal ad valorems), were in vain urged then: experience, with her enlightened voice, now came forward to plead against them. The act had been in force seven years: it had had a long, and a fair trial: and that safest of all juries – Time and Experience – now came forward to deliver their verdict. At this session ('39-'40) a message was sent to the House of Representatives by the President, covering reports from the Secretary of the Treasury, and from the Comptroller of the Treasury, with opinions from the late Attorneys-general of the United States (Messrs. Benjamin F. Butler and Felix Grundy), and letters from the collectors of the customs in all the principal Atlantic ports, all relating to the practical operation of the ad valorem system, and showing it to be unequal, uncertain, unsafe – diverse in its construction – injurious to the revenue – open to unfair practices – and greatly expensive from the number of persons required to execute it. The whole document may be profitably studied by all who deprecate unwise and pernicious legislation; but a selection of a few of the cases of injurious operation which it presents will be sufficient to give an idea of the whole. Three classes of goods are selected – silks, linens, and worsted: all staple articles, and so well known as to be the least susceptible of diversity of judgment; and yet on which, in the period of four years, a fraction over five millions of dollars had been lost to the Treasury from diversity of construction between the Treasury officers and the judiciary – with the further prospective loss of one million and three-quarters in the ensuing three years if the act was not amended. The document, at page 44, states the annual ascertained loss during four years' operation of the act on these classes of goods, to be:

'In 1835 -	$624,356	In 1837 -	463,090
1836 -	847,162	1838 -	428,237

"Making in the four years $2,362,845; and the comptroller computes the annual prospective loss during the time the act may remain unaltered, at $800,000. So much for silks; now for linens. The same page, for the same four years, represents the annual loss on this article to be:

In 1835 -	$370,785	In 1837 -	303,241
1836 -	516,988	1838 -	226,375

"Making the sum of $1,411,389 on this article for the four years; to which is to be added the estimated sum of $400,000, for the future annual losses, if the act remains unaltered.

"On worsted goods, for the same time, and on page 45, the report exhibits the losses thus:

In 1835 -	$409,329	In 1837 -	209,391
1836 -	416,832	1838 -	249,590

"Making a total of ascertained loss on this head, in the brief space of four years, amount to the sum of $1,285,142; with a computation of a prospective loss of $500,000 per annum, while the compromise act remains as it is."

Such were the losses from diversity of construction alone on three classes of goods, in the short space of four years; and these classes staple goods, composed of a single material. When it came to articles of mixed material, the diversity became worse. Custom-house officers disagreed: comptrollers and treasurers disagreed: attorneys-general disagreed. Courts were referred to, and their decision overruled all. Many importers stood suits; and the courts and juries overruled all the officers appointed to collect the revenue. The government could only collect what they are allowed. Often, after paying the duty assessed, the party has brought his action and recovered a large part of it back. So that this ad valorem system, besides its great expense, its chance for diversity of opinions among the appraisers, and its openness to corruption, also gave rise to differences among the highest administrative and law officers of the government, with resort to courts of law, in nearly all which the United States was the loser.

CHAPTER LIII.
REFINED SUGAR AND RUM DRAWBACKS: THEIR ABUSE UNDER THE COMPROMISE ACT OF 1833: MR. BENTON'S SPEECH

Mr. Benton rose to make the motion for which he had given notice on Friday last, for leave to bring in a bill to reduce the drawbacks allowed on the exportation of rum and refined sugars; and the bounties and allowances to fishing vessels, in proportion to the reduction which had been made, and should be made, in the duties upon imported sugars, molasses and salt, upon which these bounties and allowances were respectively granted.

Mr. B. said that the bill, for the bringing in of which he was about to ask leave, proposed some material alteration in the act of 1833, for the modification of the tariff, commonly called the compromise act; and as that act was held by its friends to be sacred and inviolable, and entitled to run its course untouched and unaltered, it became his duty to justify his bill in advance; to give reasons for it before he ventured to submit the question of leave for its introduction; and to show, beforehand, that here was great and just cause for the measure he proposed.

Mr. B. said it would be recollected, by those who were contemporary with the event, and might be seen by all who should now look into our legislative history of that day, that he was thoroughly opposed to the passage of the act of 1833; that he preferred waiting the progress of Mr. Verplanck's bill; that he opposed the compromise act, from beginning to end; made speeches against it, which were not answered; uttered predictions of it, which were disregarded; proposed amendments to it, which were rejected; showed it to be an adjournment, not a settlement, of the tariff question; and voted against it, on its final passage, in a respectable minority of eighteen. It was not his intention at this time to recapitulate all the objections which he then made to the act; but to confine himself to two of those objections, and to those two of them, the truth and evils of which TIME had developed; and for which evils the public good demands an immediate remedy to be applied. He spoke of the drawbacks and allowances founded upon duties, which duties were to undergo periodical reductions, while the drawbacks and allowances remained undiminished; and of the vague and arbitrary tenor of the act, which rendered it incapable of any regular, uniform, or safe execution. He should confine himself to these two objections; and proceed to examine them in the order in which they were mentioned.

At page 208 of the Senate journal, session of 1832-33, is seen this motion: "Moved by Mr. Benton to add to the bill a section in the following words: '*That all drawbacks allowed on the exportation of articles manufactured in the United States from materials imported from foreign countries, and subject to duty, shall be reduced in proportion to the reduction of duties provided for in this act.*'" The particular application of this clause, as explained and enforced at the time, was to sugar and molasses, and the refined sugar, and the rum manufactured from them.

As the laws then stood, and according to the principle of all drawbacks, the exporters of these refined sugars and rum were allowed to draw back from the Treasury precisely as much money as had been paid into the Treasury on the importation of the article out of which the exported article was manufactured. This was the principle, and this was the law; and so rigidly was this insisted upon by the manufacturing and exporting interest, that only four years before the compromise act, namely, in 1829, the drawback on refined sugars exported was raised from four to five cents a pound upon the motion of General Smith, a then senator from Maryland; and this upon an argument and a calculation made by him to show that the quantity of raw sugar contained in every pound of refined sugar, had, in reality, paid five instead of four cents duty. My motion appeared to me self-evidently just, as the new act, in abolishing all specific duties, and reducing every thing to an ad valorem duty of twenty per

centum, would reduce the duties on sugar and molasses eventually to the one-third or the one-fourth of their then amount; and, unless the drawback should be proportionately reduced, the exporter of refined sugars and rum, instead of drawing back the exact amount he had paid into the Treasury, would in reality draw back three or four times as much as had been paid in. This would be unjust in itself; and, besides being unjust, would involve a breach of the constitution, for, so much of the drawback as was not founded upon the duty, would be a naked bounty paid for nothing out of the Treasury. I expected my motion to be adopted by a unanimous vote; on the contrary, it was rejected by a vote of 24 to 18;[2] and I had to leave it to Time, that slow, but sure witness, to develope the evils which my arguments had been unable to show, and to enforce the remedies which the vote of the Senate had rejected. That witness has come. Time, with his unerring testimony, has arrived. The act of 1833 has run the greater part of its course, without having reached its ultimate depression of duties, or developed its greatest mischiefs; but it has gone far enough to show that it has done immense injury to the Treasury, and must continue to do it if a remedy is not applied. Always indifferent to my rhetoric, and careful of my facts – always leaving oratory behind, and laboring to establish a battery of facts in front – I have applied at the fountain head of information – the Treasury Department – for all the statistics connected with the subject; and the successive reports which had been received from that department, on the salt duties and the fishing bounties and allowances, and on the sugar and molasses duties, and the drawbacks on exported rum and refined sugar, and which had been printed by the order of the Senate, had supplied the information which constituted the body of facts which must carry conviction to the mind of every hearer.

Mr. B. said he would take up the sugar duties first, and show what had been the operation of the act of 1833, in relation to the revenue from that article, and the drawbacks founded upon it. In document No. 275, laid upon our tables on Friday last, we find four tables in relation to this point, and a letter from the Register of the Treasury, Mr. T. L. Smith, describing their contents.

These tables are all valuable. The whole of the information which they contain is useful, and is applicable to the business of legislation, and goes to enlighten us on the subject under consideration; but it is not in my power, continued Mr. B., to quote them in detail. Results and prominent facts only can be selected; and, proceeding on this plan, I here show to the Senate, from table No. 1, that as early as the year 1837 – being only four years after the compromise act – the drawback paid on the exportation of refined sugar actually exceeded the amount of revenue derived from imported sugar, by the sum of $861 71. As the duties continued to diminish, and the drawback remained the same, this excess was increased in 1838 to $12,690; and in 1839 it was increased to $20,154 37. Thus far the results are mathematical; they are copied from the Treasury books; they show the actual operation of the compromise act on this article, down to the end of the last year. These are facts to pause at, and think upon. They imply that the sugar refiners manufactured more sugar than was imported into the United States for each of these three years – that they not only manufactured, but exported, in a refined state, more than was imported into the United States, about 400,000 lbs. more the last of these years – that they paid duty on these quantities, not leaving a pound of imported sugar to have been used or duty paid on it by any other person – and not leaving a pound of their own refined sugar to be used in the United States. In other words, the whole amount of the revenue from brown and clayed sugars was paid over to 29 sugar refiners from 1837: and not only the whole amount, but the respective sums of $861 71, and $12,690, and $20,154 37, in that and the two succeeding years, over and above that amount. This is what the table shows as far as the act has gone; and as we know that the refiners only consumed a small part of the sugar imported, and only exported a part of what they refined, and consequently only paid duty on a small part, it stands to reason that a most enormous

[2] The following was the vote:Yeas – Messrs. Benton, Buckner, Calhoun, Dallas, Dickerson, Dudley, Forsyth, Johnston, Kane, King, Rives, Robinson, Seymour, Tomlinson, Webster, White, Wilkins, and Wright – 18.Nays – Messrs. Bell, Bibb, Black, Clay, Clayton, Ewing, Foot, Grundy, Hendricks, Holmes, Knight, Mangum, Miller, Moore, Naudain, Poindexter, Prentiss, Robbins, Silsbee, Smith, Sprague, Tipton, Troup, Tyler – 24.

abuse has been committed – the fault of the law allowing them to "draw back" out of the Treasury what they had never put into it.

The table then goes on to show the prospective operation of the act for the remainder of the time which it has to run, and which will include the great reductions of duty which are to take place in 1841 and 1842; and here the results become still more striking. Assuming the importation of each succeeding year to be the same that it was in 1839, and the excess of the drawback over the duties will be, for 1840, $37,343 38; for 1841, the same; for 1842, $114,693 94; and for 1843, the sum of $140,477 45. That is to say, these refiners will receive the whole of the revenue from the sugar tax, and these amounts in addition, for these four years; when they would not be entitled, under an honest law, to more than the one fortieth part of the revenue – which, in fact, is more than they received while the law was honest. These will be the bounties payable out of the Treasury in the present, and in the three succeeding years, provided the importation of sugars shall be the same that it was in 1839; but will it be the same? To this question, both reason and experience answer in the negative. They both reply that the importation will increase in proportion to the increased profit which the increasing difference between the duty and the drawback will afford; and this reply is proved by the two first columns in the table under consideration. These columns show that, under the encouragement to importation already afforded by the compromise act, the import of sugar increased in six years from 1,558,971 pounds, costing $72,336, to 11,308,561 pounds, costing $554,119. Here was an enormous increase under a small inducement compared to that which is to follow; so that we have reason to conclude that the importations of the present and ensuing years, unless checked by the passage of the bill which I propose to bring in, will not only increase in the ratio of the past years, but far beyond it; and will in reality be limited only by the capacity of the world to supply the demand: so great will be the inducement to import raw or clayed sugars, and export refined. The effect upon our Treasury must be great. Several hundred thousand dollars per annum must be taken from it for nothing; the whole extracted from the Secretary of the Treasury in hard money; his reports having shown us that, while paper money, and even depreciated paper, is systematically pressed upon the government in payment of duties, nothing but gold and silver will be received back in payment of drawbacks. But it is not the Treasury only that would suffer: the consumers of sugar would come in for their share of the burden: the drawback will keep up the price; and the home consumer must pay the drawback as well as the government; otherwise the refined sugar will seek a foreign market. The consumers of brown sugar will suffer in the same manner; for the manufacturers will monopolize it, and refine it, and have their five cents drawback, either at home or abroad. Add to all this, it will be well if enterprising dealers shall not impose domestic sugars upon the manufacturers, and thus convert the home crop into an article entitled to drawback.

Such are the mischiefs of the act of 1833 in relation to this article; they are great already, and still greater are yet to come. As early as 1837, the whole amount of the sugar revenue, and $861,71 besides, was delivered over to some twenty odd manufacturers of refined sugars! At this day, the whole amount of that revenue goes to these few individuals, and $37,343,38 besides. This is the case this year. Henceforth they are to receive the whole amount of this revenue, with some hundreds of thousands of dollars besides, to be drawn from other branches of revenue, unless this bill is passed which I propose to bring in. This is the effect of the act, dignified with the name of compromise, and hallowed by the imputed character of sacred and inviolable! It turns over a tax levied from seventeen millions of people on an article of essential comfort, and almost a necessary; it turns over this whole tax to a few individuals; and that not being enough to satisfy their demand, they receive the remainder from the National Treasury! It violates the constitution to the whole extent of the excess of the drawback over the duty. It subjects the Treasury to an unforeseen amount of undue demands. It deprives the people of the whole benefit of the reduction of the sugar tax, provided for by the act itself; and subjects them to the mercies of those who may choose to monopolize the article for refinement and exportation. The whole number of persons into whose hands all this money and power

is thrown, is, according to a statement derived from Gov. Wolf, the late collector of the customs at Philadelphia, no more than own the 29 sugar refineries; the whole of which, omitting some small ones in the West, and three in New Orleans, are situate on the north side of Mason and Dixon's line. Members from the South and West complain of the unequal working of our revenue system – of the large amounts expended in the northeast – the trifle expended South and West. But, why complain? Their own improvident and negligent legislation makes it so. This bill alone, in only one of its items – the sugar item – will send millions, before 1842, to the north side of that famous line: and this bill was the concoction, and that out of doors, of one member from the South and one more from the West.

Mr. Benton would proceed to the next article to the effect upon which, of the compromise act, he would wish to call their attention; and that article was imported molasses, and its manufacture, in the shape of exported rum. On this article, and its manufacture, the operation of the act was of the same character, though not to the same degree, that it was on sugars; the duties were reduced, while the drawback remained the same. This was constantly giving drawback where no duty had been paid; and in 1842 the whole of the molasses tax will go to these rum distillers – giving the legal implication that they had imported all the molasses that came into the United States, and paid duty on it – and then exported it all in the shape of rum – leaving not a gallon to have been consumed by the rest of the community, nor even a gallon of their own rum to have been drank in the United States. All this is clear from the regular operation of the compromise act, in reducing duties without making a corresponding reduction in the drawbacks founded upon them. But is there not to be cheating in addition to the regular operation of the act? If not, we shall be more fortunate than we have been heretofore, and that under the circumstances of greater temptation. It is well known that whiskey can be converted into New England rum, and exported as such, and receive the drawback of the molasses duty; and that this has been done just as often as the price of whiskey (and the meanest would answer the purpose) was less than the cost of molasses. The process was this. Purchase base whiskey at a low rate – filtrate it through charcoal, to deprive it of smell and taste – then pass it through a rum distillery, in company with a little real rum – and the whiskey would come out rum, very fit to be sold as such at home, or exported as such, with the benefit of drawback. All this has been done, and has been proved to be done; and, therefore, may be done again, and certainly will be done, under the increased temptation which the compromise act now affords, and will continue to afford, if not amended as proposed by the bill I propose to bring in. It was proved before a committee of the House of Representatives in the session of 1827-8. Mr. Jeromus Johnson, then a member of Congress from the city of New York, now a custom-house officer in that city, testified directly to the fact. To the question: "*Are there not large quantities of whiskey used with molasses in the distillation of what is called New England rum?*" He answered: "*There are:*" and that when mixed at the rate of only four gallons to one, and the mixture run through a rum distillery – the whiskey previously deprived of its taste and smell by filtration through charcoal – the best practised rum drinker could not tell the difference – even if appealed to by a custom-house officer. That whiskey is now used for that purpose, is clearly established by the table marked B. That table shows that the importation of foreign molasses for the year 1839 was 392,368 gallons; and the exportation of distilled rum for that quantity was 356,699 gallons; that is to say, nearly as many gallons of rum went out as of molasses came in; and, admitting that a gallon of good molasses will make a gallon of rum, yet the average is below it. Inferior or common molasses falls short of producing gallon for gallon by from 5 to 7½ per cent. Now make an allowance for this deficiency; allow also for the quantity of foreign molasses consumed in the United States in other ways; allow likewise for the quantity of rum made from molasses, and not exported, but consumed at home: allow for these three items, and the conviction becomes irresistible, that whiskey was used in the distillation of rum in the year 1839, and exported with the benefit of drawback! and that such will continue to be the case (if this blunder is not corrected), as the duty gets lower and the temptation to export whiskey, under the disguise of New England rum, becomes

greater. After 1842, this must be a great business, and the molasses drawback a good profit on mean whiskey.

Putting these two items together – the sugar and the molasses drawbacks – and some millions must be plundered from the Treasury under the preposterous provisions of this compromise act.

CHAPTER LIV.
FISHING BOUNTIES AND ALLOWANCES, AND THEIR ABUSE: MR. BENTON'S SPEECH: EXTRACTS

The bill which I am asking leave to introduce, proposes to reduce the fishing bounties and allowances in proportion to the reduction which the salt duty has undergone, and is to undergo; and at the threshold I am met by the question, whether these allowances are founded upon the salt duty, and should rise and fall with it, or are independent of that duty, and can be kept up without it? I hold the affirmative of this question. I hold that the allowances rest upon the duty, and upon nothing else, and that there is neither statute law nor constitution to support them on any other foundation. This is what I hold: but I should not have noticed the question at this time except for the issue joined upon it between the senator from Massachusetts who sits farthest on the other side (Mr. Davis), and myself. He and I have made up an issue on this point; and without going into the argument at this time, I will cite him to the original petition from the Massachusetts legislature, asking for a drawback of the duties, or, as they styled it, "a remission of duties on all the dutiable articles used in the fisheries; and also premiums and bounties: " and having shown this petition, I will point to half a dozen acts of Congress which prove my position – hoping that they may prove sufficient, but promising to come down upon him with an avalanche of authorities if they are not.

Конец ознакомительного фрагмента.