



Jefferson, Thomas, present.

AN EXPOSITION

OF THE COURSE AND PRINCIPLES

OF THE

NATIONAL ADMINISTRATION

IN RELATION TO THE CUSTODY OF THE

PUBLIC MONEYS.

**BY ONE WHO FOR THE LAST NINE YEARS HAS BEEN INTIMATELY
ACQUAINTED WITH THOSE WHO HAVE CONTROLLED
THE EXECUTIVE DEPARTMENTS**

OF THE

GENERAL GOVERNMENT.

PHILADELPHIA,

PRINTED AT THE OFFICE OF THE NATIONAL LABORER.

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1833.

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EXPOSITION, &c.

The persevering and unjust attacks which are made upon the late and present Administrations, in reference to banks and the public revenue, induce one who has been intimately acquainted with those who have controlled the Executive Departments of the General government for the last nine years, to ask your patient attention, while he discloses, in sincerity and truth, the motives by which he believes they have been actuated, and the objects they have desired to accomplish.

RETROSPECT.
General Jackson's hostility to the Bank of the United States, not from any private considerations, but from a deep conviction that it was dangerous to the liberties of the country, existed long before he came to Washington to enter upon the functions of Chief Magistrate. In a draft of his inaugural address, prepared in Tennessee, before he had ever seen those who, it has since been alleged, controlled him on this point, there was a passage in opposition to that bank, which, after his arrival in Washington, he was induced to omit. While his first annual message was in preparation, it is known that all his counsellors dissuaded him from touching upon that topic, inasmuch as it seemed to them unnecessary, if not premature; but he was then inflexible. "I cannot sleep upon my pillow," said he, "if I should omit to call the attention of my countrymen to the dangers of that institution." He therefore, contrary to the wishes of his friends, even those who agreed with him in opinion, called the attention of the country to the approaching termination of its charter, and to the constitutionality as well as expediency of its renewal. It produced reports in favor of the institution from committees of both the Senate and House of Representatives, which were widely circulated through the country.

Although the bank appeared to be almost omnipotent in the two houses of Congress, and there were scarcely half a dozen Executive officers who raised their voices against it, the Hero of New Orleans again introduced the subject more at length in his

annual messages of December, 1830 and 1831.

In the mean time, the bank had taken the alarm, and put in requisition all its means of influence. It hired writers, paid for the printing and circulation of documents, corrupted editors by fat jobs and exorbitant and unusual loans upon nominal security, conciliated members of Congress and public officers by extraordinary favors; and, through hundreds of presses and thousands of orators, put in motion by its means, filled the country with argument and declamation in its favor.

Notwithstanding the partial disclosure of these abuses by the committee of investigation at the session of 1831-2, the bank had sufficient power in Congress to procure the passage of an act re-chartering it by a heavy majority. General Jackson hesitated as to his course as little as he did at New Orleans in December, 1814, when he heard that the British had landed below the city. He gave a direct veto to the bank, as both inexpedient and unconstitutional, and submitted the question, whether there should be a Bank of the United States or not, directly to be tested upon his re-election. The people re-elected him almost by acclamation, and thereby decided against a Bank of the United States.

Still that institution, though shown to be loaded with abuses, and rejected by the people, did not relinquish the hope of a continued existence. It had the public moneys in its keeping, and on every side it was renewing and strengthening its hold upon public men and institutions, with the evident object of renewing the struggle on the first favorable occasion. This consideration, together with the necessity of providing a new system of deposits prior to the expiration of the bank's charter, its interference to prevent the payment of the national debt, its corrupt "facilities" to editors and others, the application of its funds to political purposes, the exclusion of Government directors from its business, the placing of its funds at the disposition of the president, to be expended without accounta-

of a foolish desire to force back to England a portion of the specie which Mr. Biddle's panic curtailments had forced away, and put an end to the swelling bubble which was rising out of the interchange of credit between the two countries.

Did Gen. Jackson recommend the sudden displacement of large sums of public money which had entered into the banking operations of particular places, for the purpose of depositing it with the States, thereby increasing the embarrassments of the bank? No: it is well known that he was opposed to that measure, and signed the bill with reluctance.

And what act of Mr. Van Buren produced or hastened the catastrophe? None whatever. He did indeed decline rescinding the Specie Circular, being satisfied that its operations were salutary both upon the country and the banks.

The causes of the suspension of specie payments, are not then to be looked for in the acts or designs of the Administration, but chiefly in the mismanagement of the banks, in which the Bank of the United States took the lead. That the design of Mr. Biddle and his political associates was to produce this very result, is by no means improbable. It is a part of history that they did, during the panic, coolly and deliberately, "calm as a summer's morning," pursue a course which produced the suspension of several banks, and put many others in jeopardy, with the single view of controlling the Government through the distresses of the people, producing a restoration of the deposits, and a re-charter of the bank. What would have been the extent of this suspension, had not the policy of the bank been counteracted by an immense influx of specie, it is impossible to know; but men who were capable of conspiring to accomplish their objects in *one mode* are not too good to conspire its accomplishment in *another*. The throwing out of twenty millions by Mr. Biddle, obtaining in Europe, and extending his credit in every direction, was the most insidious and at the same time the most effective means to tempt the State banks upon dangerous ground, which could have been devised. They had that effect, and led the whole army of banks into a position where they were unable to withstand for a month the operations of an adverse trade. To the banks themselves, therefore, the whole mischief is to be ascribed, and chiefly to the Bank of the United States. The steps, taken by them which led to the recent catastrophe, were neither the necessary nor the natural result of the measures

of the administration. On the contrary, they were taken to defeat its policy, and in opposition to its wishes and will.

Let us now look at the position at present occupied by the Administration, the policy it has pursued, and the measures it proposes in reference to its own duties, and the currency of the country.

SUSPENSION OF SPECIE PAYMENTS, AND THE COURSE OF THE ADMINISTRATION THEREUPON.

The people had decided against having a Bank of the United States in the re-election of General Jackson, and Congress had provided by law for the safe-keeping of the public money in certain State banks. By the Constitution and laws of the United States, nothing but gold and silver, or their equivalent, could be received or paid out by the General Government; and the deposit law itself prohibited the employment of any bank as a depository, which did not pay its notes in gold and silver. All the funds of the Government, both of the Treasury and Post Office Departments, were deposited in State banks.

Simultaneously, nearly every bank in the Union stopped payment. Treating the Government as they did the rest of their creditors, the bank refused to pay the warrants of the Treasury and the Post Office in any thing but their own notes—notes which could not be legally offered to a public creditor in payment. Threats of violence were used in Boston, New York, and at other places, with the view of compelling the Executive to violate the plainest laws, in receiving depreciated and irredeemable paper for all public dues. These threats were disregarded, and the public dues collected in gold and silver. But there was a difficulty in complying with the laws in paying the public creditors, and the funds of the Government being shut up in the banks, from which nothing but irredeemable paper could be obtained. By the Post Office Department, the difficulty was soon surmounted. The current income of that Department being equal to its current expenditure, it was only necessary to have its income paid in specie, to meet all its expenditures in the same currency. Prompt and successful steps were taken to effect that object, and not a warrant of the Postmaster General has been returned protested since the suspension, which has not been promptly paid in specie; and for several months past, all payments have been made in that currency. This great establishment, having an income of about four millions of dollars a year, now carried on, without the slightest difficulty, in the midst of the sus-

pended banks, receiving and disbursing gold and silver only.

The difficulty would have been as readily surmounted by the Treasury Department, had not its necessary disbursements exceeded its current income. The sales of public lands, and the importations of dutiable merchandise, were almost stopped by the commercial revulsion, and it was found necessary to grant indulgence on duty bonds already given. Thus the resources of the Treasury were dried up, while the army and navy, the civil list and diplomatic corps, necessarily gave rise to heavy demands upon it almost daily. It had no alternative, but was obliged to render available, as far as possible, the funds in bank, and anticipate its future receipts. The Secretary of the Treasury, therefore, continued to draw upon the banks; and to enable the holders of his warrants or drafts to use them in payments, if they preferred it to taking bank notes, and to give them the highest practicable value, made them receivable for duties and public lands. This very operation, though just to the public creditors, cut off the specie receipts, by anticipating the revenue, and gave no effectual relief to the department. At their extra-session, Congress granted the power to issue Treasury notes, as a means of keeping up the credit of the Treasury with a deficient revenue. It was believed by many of our most sagacious men, that this paper would pass at specie par with a very moderate interest, or none at all; but as present value cannot be had for them, except by paying them in for public dues, and as the disbursements of the department are still greater than its receipts, it has been in the power of a powerful party press, and other hostile interests, to cry them down below par at certain points. Efficient measures have, however, been adopted to raise them to specie par, and at that rate it is confidently believed they will soon be negotiated. In the meantime, the Treasury Department has paid specie as far as it had the power, and, since the stoppage of specie payments by the banks, has actually disbursed over six millions of dollars in gold and silver. It is expected that all its future disbursements will be in coin, or its equivalent. Receipts are beginning to flow in, and in a short time they will probably exceed the current expenditure, when all embarrassments will be at an end.

THE INDEPENDENT TREASURY.

To avoid the embarrassments encountered from the stoppage of the banks for ever hereafter, and secure the faithful application of the public money to the purpose for which

it is exacted from the people, the Administration proposes no longer to entrust it to the custody of corporations, but to keep it in an independent Treasury. The following are some of the reasons upon which this proposition is sustained:

1. It is obviously the plan originally intended by the Constitution. It is a provision of that instrument, that "no money shall be drawn from the Treasury except in pursuance of appropriations made by law." What does this mean, but that the public money shall, when collected, be put into a Treasury, and there remain until drawn out to pay appropriations made by Congress? Is it not wholly inconsistent with the idea that it can be taken out, and lent to the merchants or others? Suppose that John Campbell, the Treasurer of the United States, had five millions of dollars in the Treasury—in a vault, room, or chest under his own care—could he lend \$10,000 to Daniel Webster, \$10,000 to Henry Clay, and \$1,000,000 to Nicholas Biddle, for their private purposes, pocketing the interest himself; without drawing it from the Treasury, in palpable violation of the Constitution? Is not this an application of the public money to private, illegal, and unauthorized uses, the very thing which the restriction in the Constitution was intended to prevent? To lend out the public money is the only purpose for which the banks want it. They do not desire it to keep, but to use. Their peculiar friends will not even hear of a special deposit which would restrict or prevent their using it. The liberty of using it as they please is what they demand; in other words, they claim the privilege of lending it out to their customers for their own profit. And is it not then out of the Treasury? Has it not been drawn out, without appropriation, in palpable violation of the spirit of the Constitution?

It is not a satisfactory answer to say this practice is of long standing. If it be a palpable violation of the Constitution, its instant reformation is an imperative demand of principle and duty. The disasters which have followed an abandonment of the Constitution on this point, require a return to it as a matter of expediency as well as of principle.

2. An Independent Treasury is necessary to maintain the independence and efficiency of the Government. We have much in English history as well as in the productions of our own statesmen, about the "union of the purse and the sword" in the same hands. In Great Britain, the power to declare war and raise an army and marine, is vested in the

King, and that is called "*the sword*." The power to raise money to pay the army and marine, is vested in the Parliament, and that is called "*the purse*." The King holds "*the sword*" and the Parliament holds "*the purse*." This arrangement checks the King, and protects the liberties of the people from Executive aggression.

In our Government, Congress only can declare war and authorize the raising of an army and marine, and, therefore, Congress holds "*the sword*." Congress only can raise money to pay the army and marine, and, therefore, Congress holds "*the purse*" also. In these provisions is a double check upon Executive aggression. He has neither "*the purse*" nor "*the sword*" until Congress put them into his hands by law; and although, after they have given him "*the sword*" by declaring war, they cannot withdraw or close up "*the purse*" by refusing to raise money.

But modern avarice and ingenuity have introduced a new purse holder—it is the banks. Congress or Parliament can no longer be trusted with "*the purse*"—it is safe only in the hands of banks! Such is the modern theory. Let us see what may be the practical operation of this theory. Congress declares war and raises twenty millions of money to carry it on, which, instead of being deposited in the Treasury, under charge of the appropriate officers, is put into sundry banks, which now become the purse-holders of the Government. These banks are opposed to the war, and think "*the condition and circumstances of the country*," will not justify its prosecution. The Executive applies to them for the money provided by Congress to pay the army and navy, and they withhold it for the purpose of putting an end to the war. Is this the *check* which the Constitution intended to impose on the Executive? On the contrary, is it not a *third power* introduced into the Government, unknown to the Constitution, and subversive as well of the just powers of Congress as of the President?

Look at what actually has happened. Last May the deposit banks had on hand about twenty-seven millions of the public money, every dollar of which was appropriated by Congress, or directed to be deposited with the States. These laws the Executive was proceeding to execute, when the banks suddenly stopped payment. If the money had been *in the Treasury*, as the Constitution requires, the Executive could have drawn it out in pursuance of law, and carried into execution the will of Congress. But as the money of the Government was

gone to speculators and others, with the capital of the banks, *the stoppage of the banks* was necessarily *the stoppage of the Treasury*. The Executive could not execute the acts of Congress; he could not pay a soldier or sailor, a clerk or contractor, in the legal currency of the United States, though nominally there were twenty-seven millions of dollars in the Treasury, already appropriated for that purpose. And the efforts made to fulfil the obligations and keep the faith of the Government, under circumstances brought upon it by these *safe purse-holders*, have been the constant theme of abuse, taunt, and ridicule, by their organs and advocates ever since!

Now, are not the liberties of this people safe under the guardianship of the Legislative, Executive, and Judicial departments of their Government? Must we have a *third power* to step in between the Legislative and Executive departments, nullify the laws passed by the former by obstructing the constitutional action of the latter? Is not the guardianship of Congress over the public purse sufficient? When Congress raised money, and appropriated it, is it not safe to let the Executive have it to apply to the designated objects? Must a third power, independent of both, be brought in to check the Executive, and refuse him the means to execute the laws of Congress, and discharge the obligations of the Government?

It must not be overlooked that *this foreign power* is as much a check upon Congress as upon the Executive. It is in vain that Congress raises money and appropriate it, if there be a third power which can interpose and prevent its expenditure. It is in vain that Congress declares war, and raises money to carry it on, if they put it into the custody of an independent and irresponsible power, which has the will as well as the ability to withhold it from the Executive and thus prevent its application to the support of an army and navy. This principle puts not only the Executive, but Congress also, directly under the control of the banks, and without their consent, a ship cannot sail, and an army cannot march.

This check upon popular government is of modern invention. It is not one of those safeguards of liberty which was fought for in the Revolution. There was not a bank in 1776 within the limits of the thirteen States. They are not found to constitute a part of the State Government in their early constitutions; they formed no part of the General Government under the Articles of Confederation; and they were directly re-

puated by the Convention which formed our present Constitution. If the Continental Congress resorted to a bank, it was not for the purpose of *keeping* their money, (for none they had,) but as a means of *getting* money to carry on the war. The first Bank of the United States was not created for a depository of the public moneys, (for there is no such provision in its charter,) but as a means of restoring and sustaining the public credit. In the charter of the second Bank of the United States, granted in 1816, is found the first germ of this power, which it is now insisted must interpose between the legislative and Executive Departments of the Government, in order to prevent an "union of the purse and the sword." Often and loudly has it been asserted by new-lights of the age, that the United States Bank had an *absolute right* to the public moneys, and that it was usurpation in the Executive to deposit them elsewhere; and it has since been attempted to vest such a right in the State banks. Constituting no part of the Government, not elected to any office of the people, or appointed by the President or any public authority, independent of the people, and substantially irresponsible to the Government, it is maintained that they ought to be entrusted with one of the most delicate and responsible functions of the executive power.

The Constitutions of the States, of the United States, establish Governments which when carried out by law, are complete in all their parts. The checks which the safety of liberty requires, are found in the adjustment of the several Departments in relation to each other, and various written prohibitions. The interposition of banks as purse-holders is no part of the constitutional plan; it is a modern innovation; it is the intrusion of a new and irresponsible power, subversive of the purity of the Government, fatal to its independence, and dangerous to its existence. If it be suffered to progress and confirm itself in its usurpation, questions of peace and war, of commerce, trade, and taxation, will be decided, not by the representatives of the people and of the States in Congress, but by the presidents and directors of banks in secret conclave assembled.

3. Another argument in favor of an Independent Treasury is found in the centralizing influence and consolidating tendency of the bank power. New York and Philadelphia are so close together that they may be called the centre of our commercial and monetary system. The interior banks, the orbs of our credit system, are as dependent on that centre as the planets are on the

centre of the solar system. When the banks at that point stop, they all stop, nor can they resume with any convenience in their business, unless the banks of the two great cities set the example. When the New York banks stopped payment in May last, the shock ran with electric speed through the whole credit system, and the banks of all the States were prostrated at a blow. And now we are told, that the banks of Ohio, Kentucky and the most distant States, cannot resume without a movement from the centre. Thus the eight hundred banks are *one* in their essential operations; they are a *consolidated, centralized power*, though seemingly under various jurisdictions, yet *effectually controlled by the few men who govern and direct the banks in New York and Philadelphia*. Nor does it materially alter the case in this respect, whether this controlling power be organized and regulated under the name of a Bank of the United States chartered by Congress, or left in the hands of banks, great or small, chartered by the States. Its organization under the name of a Bank of the United States undoubtedly increases its influence by concentrating its power in one head; but the seat of the mischief is in the laws of trade and the nature of our credit system. Though most fearfully illustrated in a Bank of the United States, its consolidated tendencies are equally palpable in the operations of the State banks. Passing scenes prove the dependence of the extremes upon the centre too clearly and conclusively to require argument as proof to satisfy the mind of the reader.

Is it not apparent that as far as the General Government and State Governments identify themselves with the banks, they become consolidated into *one great whole*? The General Government and State Governments had become dependent on banks for their actual currency and the keeping of their treasures. By a single blow their currency is depreciated and their treasures are rendered unavailable. By whom and where was this blow struck? Not by any legitimate authority in the General Government or in the several States. The blow came through the banks of New York, and was felt in the most distant States in the Union. All the States and the Union itself were found to be dependent on that centre, *there* was concentrated the power to control all our Governments and people in this respect; in relation to the currency and credit system, the States were found to be *consolidated already*, and the ruling power sits enthroned in New York and Philadelphia!

Let the Southern, Western, and even Middle, and Northern States look to it. Every new bank they create upon the principles now approved, is a *new ligament to bind them to the central power*. Every new bank created in New York, and every increase of bank capital, adds to the fatal attraction which binds the distant States to the centre. Every act of the General or State Governments which goes to strengthen banks, adds to the intensity and danger of this centralizing influence, and diminishes the power of the States and the people over their own affairs. Already, a great corporation has sprung up in Philadelphia, which at this moment not only controls the entire currency of the State, by preventing a resumption of specie payments, but is entering deeply into their trade. *It is another East India company, and the South and West are the rich provinces which it aspires to conquer and to plunder*. A competitor may be expected in New York, not to restrain the marauds and usurpations of the Philadelphia marauder, but to rival him in subjecting the golden South and the teeming West to the central banking power. Consequences the most fearful to the independence of the States, and results the most fatal to all popular control over the General Government, may be justly apprehended from the growth, extension and organization of this pervading and subtle power.

Nor does the mischief end in throwing the entire control of the currency into the hands of a few men in Philadelphia and New York. Those men are at last but the instruments and agents, perhaps unwillingly, of the London bankers and the Bank of England. London is the centre of the credit system of the whole commercial world, and the Bank of England is the sun of that system. The banks of New York and Philadelphia bear a relation to the Bank of England, very similar to that which the banks of Ohio and other distant States bear to them. Our interior banks are their dependent orbs, as the planets of our solar system have their moons, and they themselves are but secondary bodies, revolving around the distant sun of the credit system. The immediate cause of their recent stoppage was a measure of the Bank of England, cutting off American credit, and thus withdrawing from them the light and support in which they lived and moved. It was the Bank of England, therefore, which stopped our banks, depreciated our currency, and shut up our Treasury.—our central banking power is at last but the dependent of another power, seated in a

foreign land; and our consolidated States are, through their banks, and in their currency, but the provinces of the money king, who sits enthroned in London. Those who control us are but his s traps and tributaries, acting in submission to his power and in obedience to his will.

And is it safe to trust our public moneys to the keeping of the dependents of the Bank of England? Is it safe to place our country in a position where a foreign power can shut up our Treasury, almost at will, and cripple our Government in all its operations? If so, let us rescind the Declaration of Independence, and acknowledge ourselves, as we really shall be, again provinces of the British Empire.

4. The Independent Treasury, instead of fostering over-trading, and wild speculation, like the deposit of the public moneys in banks, would be a most salutary check upon those operations. The revenue of the United States accrues from sales of public lands and duties on imports. As soon as speculation in public lands and excessive importations commence, the revenue begins to increase beyond the immediate wants of the Government. Deposited in banks, and there made the basis of new loans, it tends to swell the rising tide of over-trading and speculation. But collected in gold and silver, and put into the Treasury, the accumulation itself would soon check the cause of it. If, instead of being deposited in banks, the late surplus, as it rose from ten to twenty millions of dollars, from twenty to thirty, and from thirty to forty, had been locked up in the Treasury in gold and silver, who can doubt that it would have prevented the immense extension of credit which led to the general suspension of specie payments? The shutting up of the specie would have had the same effect as its exportation. It could not have risen to twenty millions before the check would have been felt throughout all the ramifications of the credit system, and the banks would not so indiscreetly have extended their issues. The means of over-trading and speculation could not have been obtained; the receipts of the treasury would not have accumulated; and the suspension would have been averted. "An ounce of prevention is worth a pound of cure." The Independent Treasury would be a pregnant means of preventing speculation in public property and dutiable merchandise—an evil which, under the bank deposit system, its cure is general embarrassment, extensive bankruptcy, and, lately, an universal suspension of specie payments. Surely it

would be better for the country, the Government, and the banks, that these operations should be checked in their early stages, than that they should thus involve the innocent as well as the guilty in indiscriminate ruin. But, if these advantages are considered insufficient to make it politic to retain a growing surplus in the Treasury, how easy it is to put the accumulating funds into State stocks, and thus throw the specie into circulation.

5. The Independent Treasury would tend to preserve a currency of specie or its equivalent. If no one would receive paper, we should have a specie currency. In the precise extent to which paper is refused, specie will always circulate. The General Government is the greatest creditor in the country. If it receives nothing but the constitutional currency in its transactions, it will keep many millions of gold and silver in circulation which would otherwise be substituted by bank notes, and shut up in the vaults of banks, or exported from the country. In this way, it would greatly increase the specie basis, restrict the issues of banks, and give greater security to the people. The Post Office Department now collects and disburses about a million of dollars a quarter, all in specie, without the least difficulty or embarrassment.

6. The Independent Treasury will place the keepers of the public money under the direct authority and control of Congress, the constitutional guardian of the public moneys. A national bank is too strong to be controlled, having heretofore with impunity shut its doors upon a committee of Congress. Over the State banks that body has no legal authority or control whatsoever. When placed in those institutions, the public moneys are beyond their constitutional supervision. Neither the Legislative nor Executive power can control them. They are out of the possession of the Government, without being in the hands of the people. It is otherwise with the officers of an Independent Treasury. Congress must first create them; must prescribe their respective duties, and fix their salaries; must direct the amount of the bonds to be taken; may, at any time, inquire into their conduct; may impose further restrictions; may turn them out by impeachment, or abolish their offices. Through them, Congress may exercise as direct supervision over the custody of the public money as it is possible for them to possess; while their power of control over bank depositories is nominal and impotent.

7. The Post Office Department is now,

and long has been, a complete illustration of the Independent Treasury system. For many years past, nine-tenths of the postmasters have been the keepers of the moneys which they collected until they were paid over to the creditors of the Department. Upon the suspension of specie payments last spring, they were all put upon that footing. No principle of administration was changed, but the ONE-TENTH which had been deposited in banks, was placed on the same footing that the NINE-TENTHS were before. Now, every postmaster keeps the money he collects until it is paid out to contractors or others, unless safety or convenience requires that it shall be transferred to some other postmaster. For years, there have been TEN to ELEVEN thousand of these officers, and now there are *twelve thousand*, each performing the duties which would be required of an Independent Treasury, though generally on a small scale. Do the public hear of any inconvenience arising from this plan? Is not every thing going on with harmony, convenience and safety? The transfer of funds costs not a cent. On the contrary, the Department could make money out of the operation if it chose to do so.

Here, then, is a practical illustration of the system in full and successful operation before the eyes of the people, contradicting every day, in the most emphatic manner, the objections which self-interest and party feeling, so eagerly invent and so perseveringly propagate.

Another principle is illustrated by the daily operations of that Department. With slight exceptions *it receives and disburses gold and silver only*. Twelve thousand postmasters in twelve thousand neighborhoods receive and pay out about a million of dollars a quarter, in legal coin of the United States, though surrounded with a paper circulation. What does this prove? It proves that specie will come when there is a demand for it. It proves that it appears and is used as a currency in proportion to the demand. It proves that when ever any other Department of the General or State Governments, any corporation, company or individual, refuses to take paper in payment, specie will make its appearance. It proves that people can have a specie currency at any time when they have the firmness to refuse it.

If the people in every town, village and neighborhood in the country, can find specie to pay their postages, is it to be believed that it cannot be found by merchants in the great cities to pay their duty bonds?—the idea is idle. The purchase of public

lands in specie is going on every day; and so far as it may be needed for other purposes, it can always be obtained, if required by the people.

OBJECTIONS CONSIDERED.

Let us now turn our attention to the objections urged against the Independent Treasury and the Administration which proposes it.

1. It is declared to be a measure calculated to promote levelling principles which are traced to the declaration of Robert Dale Owen, in 1829, advocating "a civil revolution, which would leave behind it no trace of any Government that had not provided for every human being an equal amount of property on arriving at the age of maturity, and during minority equal food, clothing, and education, at the public expense." How the keeping of the money of the Government exclusively for its *own use*, instead of letting those use it to *whom it does not belong*, tends to impair *the right of property*, it is not easy to conceive. However that may be, I venture to say there is not a man, connected with the Administration who entertains opinions in any degree analogous to the wild and impracticable scheme developed by Mr. Owen. It would be equally just to attribute to them, as their settled opinions, the incoherent givings out of any madman in bedlam. On the contrary, there is believed not to be a man connected with the Administration who does not maintain, as a fundamental principle, that every man has a right to possess, enjoy and dispose of, whatever he has acquired by the efforts of his own mind, strength and industry, without infringing upon the rights of others; and that one of the first objects of all just institution is to protect that right. **EQUAL RIGHTS** is a sound doctrine; but it is wholly incompatible with *equality of property*. "Equality of rights" secures to every man alike the privilege of enjoying the property he honestly acquires; but it does not require him to divide his acquisition with his neighbors who are less able to work, less fortunate, less industrious, or less economical. Whatever he gives out of the proceeds of his labor, is not required of him as a matter of right, but is exacted by holy charity, or other persuasive considerations, operating upon his liberality and his will. The Supreme Being has not made men equal in physical strength, in mental power, in excitability of passions, in solidity of judgement, or in any other things between which it is possible to draw a parallel. Human institutions which should attempt to produce an equality of property, when Heaven itself has made men unequal

in the faculty of acquisition, would be a violation of natural law, of individual rights, impracticable and absurd. In a country where mind is free, all sorts of wild theories will spring up, like weeds in a rich soil; but rooted out by reason and common sense, they only tend to fertilise the land of liberty. It is as ridiculous as it is unjust, to pick up these teeming extravagances and attribute them to the Administration, or any political party in the country. Sure it is, that the idea of an equality of property, or of a general distribution of property, is utterly repudiated by every man connected with the Administration, and the charge might, with more plausibility, be retorted upon those who so strenuously maintain that the banks should have the use of money which does not belong to them.

2. It is charged that the Independent Treasury is a measure of hostility to the general credit system of the country, and is calculated, if not designed, to reduce the operations of trade to the mere exchange of one thing for another, without the interposition of credit paper in any shape.

This charge has as little foundation in fact as the preceding. It is almost as absurd to talk of banishing credit from a civilized community as of producing an equality of property. Credit is found useful in the most simple, as well as in the most complicated forms of society, and to destroy it, would be to cut one of the ligaments which bind men together in civil communities. Doubtless, like all other honest men, the members of the Administration are opposed to *that abuse of credit* which robs the good man for the benefit of the knave, ruins multitudes by its excesses, and produces demoralization, distrust, and anarchy in the business of society. To draw the proper line, and say to credit "thus far shalt thou come and no farther," is perhaps impracticable; and the only difference on the subject which exists in the country is believed to be, not whether credit shall exist, but to what limit it is expedient to permit its extension. On that point scarcely any two intelligent men will be found to agree; and as the Administration have no control over it, they do not entertain the question. While there is not one of its members who is hostile to the credit system, there may be the same diversity of opinion among them, as to some of its features, which exist among their fellow-citizens.

3 The Independent Treasury is charged with being part of a scheme to overthrow the State banks or "State Institutions."

There is not even a plausible foundation for this charge. The single ground on which it is got up is the known desire of the Administration to be relieved from their aid in the management of the public revenue, *because they have signally failed in the performance of their public duties and obligations in that respect.* Multitudes of individuals, as well as the Government, had deposits of specie funds in the banks at the time of their stoppage. Suppose one of these private citizens, who was bound by the law and an oath to pay all his debts in specie, and had found himself thus unexpectedly deprived of the power to obey in one, or comply with the other, should determine hereafter to keep his money in his own chest, ought he to be charged with design to destroy the banks? Must every man keep his money in banks, or be set down as their enemy? Must he *buy* their friendship, or *encounter* their hostility.

The Administration has proposed no measures for the injury of banks. On the contrary, it has applied for and obtained from Congress an act of indulgence, giving them time to pay over the public moneys in hand. Its aim, from the time of their suspension, has been to separate from them, and *let them alone*—to leave them to the states by which they were created—to leave them in the free and full exercise of all their powers and privileges—neither to help nor hinder them—not to interfere with their business, nor ask their interference with the Government—to let them be what they are, "*State Institutions*" for *State* purposes, and not practically constituent parts of the General Government. Is there evidence of hostility in this? Must the Administration renew its fatal connection with them, to prove it is not their enemy? It is killing to leave them just as it found them, before they were employed as depositories of the public money—to use their own capital in their own way, without molestation on its part.

But if not giving public deposits to the State banks is a measure of hostility calculated to destroy them, how is it that those banks contrived to exist so long without these deposits? What sustained them while the Bank of the United State had the public moneys? What has sustained those of the State banks which have had none of those moneys down to this day? Under the late system, only about eighty banks out of eight hundred had a dollar of those deposits. How did the others get along? Cannot any fraction or all of the banks sustain themselves hereafter without deposits as well as they

have done heretofore? And has the Government always aimed to overthrow those banks to which it has entrusted none of the public money? The idea is absurd, and the imputation groundless.

It is not intended to say, however, that all or any of those connected with the Administration, are theoretically in favor of the State banks as now organized, or approve the course they have pursued within the last two or three years. There is probably on those points the same diversity of opinion among them which exists in the community. It may, however, be safely asserted that, to a man, they think the banking system needs extensive reforms, and additional checks and responsibilities to protect the country from an eternal round of expansions and contractions; apparent prosperity and real distress, sometimes leading to the temporary subversion of the currency established by the Constitution. It is not banks to which they are hostile, but *bank abuses.*

3. It is objected that the Independent Treasury would expose the public money to be misused and applied to private purposes. It would seem impossible to devise a system under which the public money could be applied to more mischievous purposes than it has been under the bank deposit system. Where were the many millions of public money when the banks stopped payment in May last? They were lent out to the presidents and directors of the banks, their friends, and their customers. Instead of being employed for public purposes, or even in promoting the agriculture, manufactures, and commerce of the country, they were instrumental in putting on foot speculation in city lots, new towns, public lands, stocks, produce, and merchandize—speculations injurious to public morality and fatal to the best interests of society. A more wholesale misapplication and misuse of the public money it is impossible to conceive. The Independent Treasury would put an end to this enormous abuse. The keepers of the public moneys, under such a system, would not only be under heavy bonds, but would even be subject to fine and imprisonment for using or lending them for any purpose whatsoever, except to pay the appropriations of Congress. If the same latitude were allowed to them as heretofore has been to the banks; if they were permitted to use the money in their private business, or to lend it out and pocket the interest; if they were permitted to extend their own credit, and enter into all sorts of speculation upon the credit of the public, then, indeed, nothing but the most disastrous plundering of the Treasury could be expected.

But it is to put an end to these very mischiefs that the Independent Treasury is proposed.

By whom is our revenue collected? By the Collectors of the Customs, by Receivers of Public Moneys at the land offices, and by Postmasters. Into their hands the entire revenue of the Government now comes in the first instance. And are not *they all* Executive officers? Is not the money while in their possession *in the hands of the Executive?* Do they plunder and misapply it, their bonds notwithstanding, in a dangerous or destructive degree?

Again: by whom are our public moneys disbursed? By Paymasters, Pursers, Navy Agents, Postmasters, and other agents; all of whom are Executive officers. Do they misuse and misapply it, except in occasional instances of small importance?

Every dollar of our revenue under the present and all former systems, is twice found in the hands of Executive officers, and subject to their control. Even when deposited in banks, it is, in the contemplation of law, in the custody of the Treasurer, who is an Executive officer. It is one of the Executive functions in every Government, to collect, keep, and disburse, the public moneys, according to the plans prescribed by the legislative power. In principle, banks might as well be employed to collect the taxes and disburse them, as to keep the money during any portion of the intermediate time. If it cannot be safe in other hands than those of banks, why let it go into other hands at all? Why not employ the banks in every operation involving the public money?

How would a *bank* figure as paymaster of an army, or purser of a ship, to prevent the public moneys being kept by *Executive Officers?* Would it be precisely safe, in the midst of a campaign or a voyage, to put the cash into the hands of those over whom the commanders had no control? What if they should lend out the money to merchants and speculators, and then suddenly stop payment, and thus cut off all supplies?

Our ship of State was recently under full sail, with banks for its purser. Unexpectedly, and without notice, they stopped payment, and the commander has had great difficulty to feed and pay his crew ever since. He now asks for a purser who will *keep* the money in good faith for *the sole use of the ship's crew*, instead of lending it out to traders or pirates. Is this wrong or unreasonable?

4. It is further objected that the inde-

pendent Treasury plan would, in a dangerous and alarming degree, extend the patronage and influence of the Executive.

Under the late system, there were about eighty deposite banks, with 80 president and 80 cashiers, about 600 directors, and about 10,000 stockholders, besides other officers. Here were about **ELEVEN THOUSAND MEN** whose pecuniary interests were *directly affected by the action of the Executive*. A deposite of twenty millions, on loan at six per cent. put into their pockets *upwards of a million of dollars a year!* This the Executive could give or take away by increasing or diminishing the amount deposited in the several banks. The eagerness with which the public deposites were sought after by the banks is sufficient evidence of the importance they attached to them. That they would incline to the support of those who threw business and money in their path, it requires no evidence to prove. Here was direct pecuniary influence over an army of rich and powerful men, the effect of which if adroitly managed by an administration disposed to make the most of it, it is impossible to calculate.

Nor is it possible to calculate the secondary influence over the customers and debtors of the banks which might be exerted through friendly presidents, directors, and officers. Speaking well of the Executive which favored them, and making those with whom they dealt believe that his policy they were indebted for accommodation and indulgence, they might greatly enlarge the sphere of his popularity, and secure to his interests; the whole dupes of bank debtors, as well as their president directors, other officers, stockholders, and customers.

How is it with the proposed Independent Treasury? Most of the agents who would be employed are already public officers, and as much under the control of the Executive as they can be. Three or four Receivers of Public Moneys, and perhaps a dozen clerks, would be the entire additional force added to the Executive Department. This is the whole accession to Executive patronage, so much dreaded and deprecated. If their influence were great, individually, as that of the president and directors of the eighty banks, it might safely be left to the people to determine whether, in the aggregate, it would not be immeasurably less. Between the Independent Treasury and the Deposite Bank there is the same difference that there would be between a man sitting upon a man

chest, sternly defending its precious contents against an eager multitude, and one sitting by such a chest open, and distributing its contents with smiling face and ready hand to all who asked the "accommodation." It is proposed to impose heavy penalties on any Executive officer who may lend or use the public money, whereas the banks want it for no other purpose. The difference of the influence exerted in *sternly keeping* money and *kindly lending* it, is not difficult of comprehension. Does any man believe the Executive will obtain more influence and power by the appointment of four Receivers and a few clerks, than he could by employing the eighty banks and conciliating eight hundred? If the President were seeking to extend his influence by operating on the private interests of men, he has resorted to the wrong means. The absurdity of the charge is evinced by the fact, that this very bank influence which he refuses to purchase, is boldly held up by those who make it as the power which is to destroy him—all the patronage of an Independent Treasury notwithstanding!

5. It is further objected, that the Independent Treasury system would withdraw the specie of the country from circulation, place it under the control of the Executive, take away the basis on which the banks sustain their circulation, and fatally affect the credit system of the country.

If Congress raise no more by taxes than is necessary for the current wants of the Government, the amount of specie on hand at any one time could not exceed four or five millions of dollars. Although the annual revenue may be twenty or thirty millions, it will, if not greater than the necessary disbursements, be paid out as fast as it is paid in; and the amount on hand need be only enough to enable the Government to carry on its business with convenience and safety. The United States Bank has frequently had on hand for considerable periods, ten to fifteen millions of dollars, in specie, and all the banks are in the habit of retaining large sums; yet nobody complains. Why are there not loud complaints that the banks needlessly shut up millions of specie from the uses of the community? It is because every body knows that a considerable sum of money on hand is necessary to enable them to sustain their credit and carry on their operations. Why, they, should any one complain if the Government does the same thing, and for the same purposes? It does not propose to keep specie for the purpose of *hoarding* it, but for the purpose

of *expending* it—not for the purpose of *withholding it from the community*, but for the purpose of *returning it in disbursements*—not for the purpose of *impairing the credit of banks*, but of *sustaining its own*. Is it any cause of just complaint that the Government, or a bank, or an individual, should keep money enough on hand to meet claims daily presented, and carry on business without embarrassment? But if any fears are really, entertained of a mischievous accumulation of specie in the Treasury, they can be readily obviated, by providing for its investment in State stocks.

How is the Independent Treasury an attack on the credit of banks? Does it propose to take from them any of their privileges, or any of their capital? No: it proposes to leave them just as they are, and just as the States choose to make them. It proposes to permit them to issue their notes, to pass them upon every body who is willing to take them; to use their credit and capital without let, hindrance, or control from the General Government. It will not be maintained that the banks have any *right* to the deposits of the Government or individuals, or have a *right* to require the Government or individuals to take their notes. Every individual in the community has a right *not* to keep his money in bank; and he has a right *not* to receive bank notes. For the exercise of these undoubted rights he ought not to be censured, or charged with attacking the credit of the banks. So it is with the Government. To maintain its own credit under all vicissitudes, it proposes to keep its own money, and deal in its currency. This is a measure of precaution and safety for itself, and not an act of hostility to the banks. If they manage their affairs prudently, they will have credit; if not, they will lose it. If they cannot maintain their own credit, they ought to have none; and the Government would do a wrong to the people, by attempting to give them any.

"The credit system" is a very indefinite phrase. If it be intended to impute to the Administration a design to subvert credit in general, by the Independent Treasury plan, the charge has no foundation in fact. The only object is to withdraw the public money from the credit system—to prevent its being used as bank capital—to prevent its being loaned out for the profit of banks—to prevent its being exposed to the hazards of private speculation and bank management, and to keep it to pay the debts and expenses of the Government, the purposes

for which the people pay it into the Treasury. Its effect would be to put an end to a gross abuse of the credit system, in lending out the people's money for private gain, thus hazarding its safety, and violating the spirit of the Constitution. What would be said, if it were discovered that collectors of the customs, receivers of public moneys, or postmasters, were lending out the public money in their hand to their friends to speculate upon, and pocketing the interest themselves? They would be denounced through the country as guilty of a gross abuse, for which they ought to be signally punished. Yet the principle is the same, whether the public money be lent out by one keeper or another; by individuals or corporations; by collectors of the customs or banks. It is an application of the public funds to private uses.

And would a collector or a postmaster find any justification in saying, that to keep the money on hand would be an attack on "the credit system?" that it would be an improper shutting up and hoarding the specie of the country! that it would be an attack upon the banks! He might be laughed at for his folly, or stared at for his impudence; but would receive little credit for his fidelity or his patriotism. Yet his reasons would be just as good as those of the same character adduced against the Independent Treasury.

It is further objected, that to dispense with banks altogether in the keeping of the public money, is to make "one currency for the Government and another for the people"—a *patrician* currency and a *plebeian* currency.

This objection comes with a bad grace from those who assume to be the special friends of the banks. It has originated since the stoppage of specie payment. The legal currency of the United States—the people's currency—the currency established by the Constitution and protected by the laws—is gold and silver. Although the States may establish banks, they can make nothing but gold and silver a tender in payment of debts. All the laws of the United States and of the several States recognise that currency; the courts of justice all give their judgments payable in currency. It is emphatically **THE PEOPLE'S CURRENCY, established by their Constitution, confirmed by their laws, and protected by their courts of justice.** The banks are authorised to issue notes only upon condition that they shall pay them *on demand in that currency.* But the banks having, by the indulgence of the people, filled the

country with their notes, thrust them into every man's hands, and caused them to supersede the people's currency almost entirely, suddenly stop payment with over a hundred millions of dollars in circulation. The people who are the holders of this currency, and generally have no other, are obliged, in consequence of this general violation of law by the banks, to use it for a time, contrary to their wishes and will. It is absurd to say that they *prefer* a paper dollar, at ten per cent. discount, to a silver dollar; or a ten dollar note, worth nine dollars, to a golden eagle. The people are not so simple. But individuals not being able, single-handed, to resist this violation of their rights, submit unwillingly to the loss and inconvenience, and fall, one after another, into the habit of using for a currency the depreciated bank notes. And the banks having thus, in violation of the Constitution and laws, and of the will of the people, *forced* their notes upon them to the exclusion of the legal currency, now turn round and say, "behold! depreciated bank notes are the currency of the people, and the Government should look for nothing better!" That is to say, "having imposed our notes on the people, substantially as a tender in payment of debts contrary to the Constitution, and in violation of the laws, the Government ought to acquiesce in the usurpation, and be content to see its fundamental principles overthrown and trampled in the dust!"

The people created the Government to protect them, as far as possible, against wrong and outrage. They have, by their Constitution and laws, established gold and silver as the only legal currency of the land. They have sworn every public officer to obey the laws, and to protect and defend the Constitution. The public officers could not recognise bank notes as the currency of the Government without being guilty of perjury. In refusing to receive them, they were true to their oaths to obey the laws, and protect and defend the Constitution. But if their had been no such oath, public duty would have required the same course. The Government had promised to pay all contractors, and others engaged in the public service, *in the legal currency of the United States.* Their public faith could not be maintained without collecting from the debtors of the Government the money to pay its creditors. As in consequence of the stoppage of the banks, *nothing could be legally paid but gold and silver, so no other currency could be received.* Had the officers of Government, therefore,

been disposed to receive the bank paper for public dues, they could not do so because they were prevented by the Constitution and laws of the land, by their oaths of office, and by their obligations to preserve the public faith inviolate.

But it was essential that resistance should commence somewhere to the attempt to subvert our fundamental laws, and impose on the country, for an indefinite and unknown period, an irredeemable paper currency. Single individuals were not strong enough to raise their arms against the overwhelming power with which the foundations of morality and law were suddenly assailed. If became the General Government, whose example and whose influence were likely to have great weight, to raise the standard of correct principle, commence the resistance to this demoralizing innovation, and aid in restoring to the people their legal and constitutional currency. The object was not to establish a better currency for the Government and a worse for the people, but to *restore to the people the better currency, of which they had been wrongfully and illegally deprived*. It was to secure to the people and Government both, the currency which was established by the Constitution, and promised to be protected by the laws and the courts of justice. It was, instead of subjecting the Government to the wrongs the people suffered, to deliver the people from these wrongs, and restore to them their lost rights. It was to make the Government and people *equal* as to the currency; to secure to both the *same currency*—the currency which finds its basis in the Constitution, and is essential to fair trade and honest dealing. This was not the equality which the Federalists wanted. Instead of raising the people up, they would pull the Government down. Instead of restoring their rights to the people, they would make both Government and people the victims of a common wrong. Instead of placing them on an equality of wrong. This is what they mean when they charge the Administration with seeking to have one currency for the Government, and another for the people. They mean that the Government and people should both be compelled to take depreciated bank notes. The difference between the Administration and its opponents, is this:

The Administration insists that the Government and people shall have the same currency, and that it shall be gold and silver or their equivalent, as provided by the Constitution and laws of the land.

Its opponents insist that the Government

and the people shall have . . . and that it shall be depreciated and worthless shin-plasters, in violation of the Constitution and laws, in subversion of the public faith and in derogation of a moral principle.

Let them who raise this cry of a better currency for the Government, and a worse for the people, come out and tell us what they mean. Bank notes redeemable in gold and silver, they tell us, are a better currency than the gold and silver themselves. If the notes be redeemable, and the Government do not take them, and the people do, the people, according to these gentlemen's theory, will have the *better* currency, and the office holders the *worse*. They cannot mean, therefore, that to give the office holders specie, and the people redeemable bank notes, is to give the former a better currency than is enjoyed by the latter. What then do they mean by this catch-word? Do they mean, that the people are forever to have no other currency than irredeemable bank notes and miserable shin-plasters? Is it to make the people forget their constitutional and legal rights, and be forever content to take for a currency, whatever paper may be thrown out by broken banks and bankrupts of all sorts, that these men wish to force the Government to receive this abominable trash? Having crammed it down the throats of the people, do they wish to make them content with their situation, by cramming it down the throat of the Government also? We have forced the people to submit to a violation of the Constitution and laws, sound policy and moral honesty—why should not the Government submit also? See! the people will submit forever to have a depreciated and fraudulent currency—why should not the Government submit also? This is in substance the language of certain politicians.

If this cry be not wholly insincere, and hypocritical, those who utter it are striving to impose on the people forever, or at least for an indefinite period, a depreciated paper currency, and to force the Government into their policy. Instead of making the government and people equal, by restoring a currency of specie or its equivalent, they would make them equally the recipients of irredeemable and fraudulent paper. Which platform of equality will the people stand upon? Will they have a currency of specie or its equivalent? or, will they be content with irredeemable bank notes and shin-plasters, and compel the Government to receive and pay them out also? They

will answer these questions at the polls.

OBJECT OF THE OPPOSITION.

But the Independent Treasury and special deposits are condemned by the entire Federal party; but not more strongly than by certain individuals who claim to belong to the Republican party. The true object is disclosed with sufficient clearness in some of the resolutions adopted at a recent assemblage of some of these individuals in New York. Of the Independent Treasury and a special deposit, they say, "Both contemplate the same odious principle of hoarding the precious metals and shutting them out from circulation among the community to whom they rightfully belong," &c. &c. The meaning of this cannot be misunderstood. The government must not keep its own money on hand although it has no use for it! The Constitution says, "No money shall be drawn from the Treasury but in pursuance of appropriations made by law." These gentlemen say, that to keep the public money in the Treasury, is "hoarding the precious metals," and out it must come, appropriation or no appropriation! Out it must come, because it "belongs" to the "community." One would suppose that its belonging to the community would be a conclusive reason why it should not come out until wanted for public purposes. It is for no such purposes that these men insist that it shall come out, nor is it for the benefit of any other community than that of banks and borrowers. Translated into plain English, this declaration means that the Government shall lend out the public money for private uses, and lest it should be too shameless an operation to do it directly, they insist that it shall be put into banks for that purpose. It would be a crime for the Secretary of the Treasury or the Treasurer to lend out the public money; but the banks may loan precisely the same money without impropriety or censure! Public officers cannot draw it from the Treasury without an appropriation, but the banks may give it out to whom they please!!

On this point the whole controversy turns. The struggle of the peculiar advocates of the banks is, to **GET THE PUBLIC MONEY FOR PRIVATE USES!** This, and nothing else, when stripped of all disguises, is what they want. The banks want it to lend out, and their friends want to borrow it! This is the substance of the whole controversy. All other considerations, so constantly introduced, and so zealously urged, are mere make weights, to aid in arriving at the main object. The banks

are not content to lend their own capital two or three times over, but they want the public money also. The speculators are not content to borrow all the capital of the banks, all their deposits, and all their credit, but they want the money in the United States Treasury also! To deny it to them, they call agrarianism, tyranny, oppression, usurpation, and consolidation; an attack on State institutions; hostility to banks; experimenting upon the currency; the destruction of the credit system; barbarism, loco focism, abominable, intolerable, and diabolical!!! Just give them the use of the public money, and all is sunshine and freedom, prosperity and happiness. I beg every dispassionate man to consider, whether this is not the only principle for which certain conservative Democrats in N. Y. and elsewhere appear to be contending

With the Federal party it is otherwise. Amidst their shouts of triumph after the late N. Y. elections some of them had the honesty and the boldness to denounce our free institutions, and advocate a hereditary Chief Magistrate and a restricted suffrage. To wrest the controlling power from the people by direct means, is impossible; but it may be possible by circumvention. We see that the power which controls the currency sits enthroned in Philadelphia and New York. Give the banks the public moneys, and that power has hold of the sinews of the Government, and can control the destinies of the country. If they be given to a National Bank, then some Nicholas Biddle becomes, like Cæsar, emperor or sole monarch of the land, with the pageant of a Republic at his heels; if to the State Banks, then the supreme dominion is in the leading men of those institutions in Philadelphia and New York. The objects of the ancient Federalists will then have been accomplished in devising a plan to take the control of the Government out of the hands of the people, and place it in the hands of a few rich men, bankers and brokers. A Federal monarchy in the shape of a N. Bank, a conservative oligarchy in the shape of S. Bks. and both dependent on foreign power; or a representative Republic, in the shape of an Independent Treasury, controlled by public officers responsible to the people, are the alternatives which are now presented for adoption. On the choice now to be made may depend the character of our Government, if not its existence, the progress of liberal principles, and freedom itself.

GENERAL REMARKS.

There never was an Administration, the

members of which devoted themselves more industriously and honestly to the discharge of their public duties, and yet none has ever been more violently or incessantly assailed.

Usurpation! violation of law! disregard of the Constitution! have been rung through the land. By whom? By men who are applauding and supporting banks, for openly and notoriously setting the Constitution and law at defiance, and abusing the members of the Administration for sternly refusing to become their coadjutors!

Corruption! corruption! has been a continual cry. Whence does it arise? From presses and men who have received their thousands and tens of thousands from the Bank of the United States and other banks, to secure their personal service and legislative assistance. If corruption could have reached General Jackson, do you think we should have heard of the veto? If the friends who stood by him in the removal of the deposits could have been bought by bank accommodations and gratuities, do you think that step would ever have been taken? If mercenary considerations could reach the present Administration, do you believe we should ever hear of an Independent Treasury? The means of corruption, the disposition to corrupt, and the actual corruption, are all on the other side. Signal instances have been exhibited to the community, and the recipients of the vile bribes are the lowest in charging the Administration with corruption!

Inconsistency! inconsistency! is another war-cry. Because the friends of the Administration were in favor of depositing the public funds in State Banks when they were in good credit, and were believed competent to the public duties they undertook, and are opposed to it now when they have proved their utter incompetency—have violated all their legal contract obligations—have stopped payment in mass in a time of profound peace, and thrown upon the country a depreciated paper currency, and one after another are acknowledging their inability to pay their promises even in the promises of their neighbors—after all this it is, that the friends of the Administration are charged with inconsistency! The ground on which they stood has been swept away by a flood, and yet they are charged with inconsistency because they do not stand upon it! The house in which they took shelter, has been overthrown by an earthquake; yet they are stigmatized because they did not abandon it! The boat in which they embarked, has burst her boilers; be-

cause they decline another trip in the same boat with the same boilers! There was no hostility to the banks in the Administration. It never asked nor expected their support, nor deprecated their political hostility. It looked upon them as public agents, to be encouraged and sustained as long as they faithfully performed their public duties, and to be discountenanced and discharged when they failed. Their failure has been general, complete and overwhelming. The friends of the Administration propose to let them go their way in peace, and try the only remaining alternative short of a Bank of the United States. Although they may once have preferred the State banks to an Independent Treasury, is there any inconsistency in preferring the latter to a bank of the United States? If they once preferred sound State banks to an Independent Treasury, is there any inconsistency in preferring the latter to *broken* State banks? Every honest Democrat who joins in this imputation of inconsistency, is unwillingly promoting the cause of the Bank of the United States. A moment's reflection will show him, that the Administration did not abandon the State banks until they had made it impossible longer to employ them, by suspending specie payments. They are guilty of the same inconsistency as when they employ an individual in the public business, thinking him well qualified and honest, and discharging him when proved, by experience, to be totally unfit for the service.

There are many other allegations against the Administration, which are equally destitute of candor and truth; but I have not time to expose them. We are told that they have greatly increased the public expenditures, when millions upon millions have been appropriated by Congress and required to be expended by law, which the Executive never asked for or wanted. The increase of the ordinary expenditures within the last nine years has not kept pace with the increase of population, and extension of our settlements. Nearly the whole real increase has been in the unsolicited appropriations, and certain unusual incidents, such as Florida war and the removal of the Indian tribes. But if the Administration is to be charged with the whole expenditure, ought it not to have credit for the whole income? Ought it not to have credit for the immense augmentation of revenue which enabled it to pay off the public debt, meet the extraordinary appropriations, and deposit thirty-seven millions with the

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