

# SPEECH

OF

MR. ALLEN, OF OHIO,

ON THE

## BILL TO SEPARATE THE GOVERNMENT FROM THE BANKS.

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DELIVERED IN THE SENATE OF THE UNITED STATES, FEBRUARY 20, 1838.

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WASHINGTON

PRINTED AT THE GLOBE OFFICE.

1838.

# SPEECH.

## SEPARATION OF GOVERNMENT FROM BANKS.

*In the Senate of the United States, February 20, 1838.*

—The Independent Treasury bill, and the substitute for it submitted by Mr. RIVES, being under consideration,

Mr. ALLEN rose and said :

This Government is but forty-nine years old. It is, Mr. President, your junior, and that of many members of this body; but, short as has been its duration, it has already experienced the most extraordinary political phenomenon which has ever occurred in human affairs. In May last, the nation was at peace with all mankind. The several departments of the Government, all the organs of its various powers, were performing their usual and appropriate functions. The public revenues had swollen into a surplus beyond the public necessities, of forty millions of dollars. The people were contented, prosperous, and happy. We were threatened neither with invasion from without nor insurrection within. All confided in the public security; all quietly reposed upon that confidence. And yet, in one night—in one moment, as it were—the Government was suddenly struck down, and the whole frame of society convulsed and disjointed by the shock! The laws were rent asunder, the revenues seized, the Government left without a dollar, and the labor and property of the whole people without a medium or standard of value. Then, and then for the first time, was it discovered that there existed in our midst a power independent alike of the Government and of the people, responsible to neither, and triumphant over both.

Many a time, sir, in the history of our race, have civil institutions been hewn down by the sword; many a time have they been effaced from the earth in the desolating sweep of human passions; many a time have they worn out by the friction of their own parts, or decayed and wasted away with age; but never, until May last, was a Government arrested in its action, and brought to a solemn stand, by a power wielded not by a foreign enemy, nor by the Government itself, nor yet by the people over whom it extended. And now, sir, what do we behold? We see this power, concentrated, embodied, organized, animated by a spirit of rapine and conquest; and having advanced to the Capitol over obligations broken, rights viola-

ted, laws infracted, authority defied, we now behold it standing incarnate upon the floor of the Senate, to demand a surrender of the affairs of the Republic into its own exclusive custody. Yes: and if this demand be not complied with; if the people will not agree to pay an eternal tribute to the banks; if they will not abandon the Government of themselves, and submit to the rule of these monopolies, with what are they threatened? They are threatened with a punishment, "compared to which all the calamities of a war with the most potent nation of the globe, would be a blessing." Such are the forebodings, such the language, of the Senator from Kentucky, [Mr. CLAY.]

That the freemen of this land, acting through the Government of their choice, should refuse to deliver their present, and to mortgage their future, revenues to a league of private corporations—to corporations which have already betrayed them, which have conspired together, seized the public treasure, and still stand out in barefaced rebellion against public law; that such should be the honest obstinacy of the nation in resisting these demands, is a conduct "unaccountable, monstrous, criminal," in the judgment of the Senator from Massachusetts, [Mr. WEBSTER.]

This Government shall be compelled to receive, through all coming time, nothing for its revenues but the due-bills of banks—of banks which have refused, in advance, to pay those bills. It shall deliver the bills, when received, back to the very same banks, as a fund for their private traffic. It shall levy, for the use of these corporations, an everlasting tribute upon the country, and thus reduce the people to the mercenary dominion of banks and bankers. These things must be done in quiet, and under color of law; or, if not so done the Senator from Virginia, [Mr. RIVES,] foresee, their future fulfillment through a breach in the Constitution, and in the form of a National Bank.

Such are the demands, such the forebodings, such the substitute—a measure, the first principle and inevitable tendency of which is essentially revolutionary. It is nothing less than a demand of the public revenue, now and for ever, made by the banks as a political right; and that demand is expressly predicated upon the assumption, that the Constitution is theoretically and practically incompetent to effect the ends of Government. The

substitute assumes, and its mover declares, that the present officers, though chosen by the people, are, and that all other citizens who hereafter may be chosen by their countrymen to administer the Government, necessarily must be ignorant or too corrupt to take care of the public revenue. We are, therefore, required to go beyond the Constitution for agents not selected by, nor responsible to, the people. And why is this to be done? Why should not the people be trusted to appoint their own agents to take care of their own money? For, after all, this is the real, the only question. The question is, who shall exercise the elective power of this Government? Shall the people, or shall the banks, appoint the men to be charged with our public affairs? Shall those who hold the public money be responsible to the public? To this question, the substitute answers, that the banks shall, that the people shall not, exercise this power. It says to the people, "the banks are more virtuous, more intelligent than you; they will appoint officers to take care of your money more worthy of your confidence than any selected by yourselves. You raise the revenue by your taxes, but you have no right to regulate its custody; you must trust to the honor of banks, in which, though they have once betrayed you, you must again confide; and turn your suspicions upon your own officers, who, though elected by yourselves, and thus far faithful to their trust, may yet deceive you." Such, sir, is the language which this substitute speaks to the people; such is the charge against their integrity, their virtue and intelligence; such the attack thus openly made upon the sovereignty of the people—upon the representative principle, the only principle which can, for a single hour, sustain this Government.

Thus, sir, we have the grounds of this contest distinctly marked out. Let no man mistake his position—let none waste his energies upon a delusive issue—let none be beguiled by the deceitful outside this controversy has assumed—let none suppose it a mere question of currency and finance. No: it is a struggle, not between two systems of currency, but between two forms of Government. Privilege, paper, and oppression, stand arrayed on the one side, against liberty, labor, and property, on the other. The revolutionary struggle for separation from the throne of Great Britain, was not more essentially a strife for independence and freedom, than is this to dissolve the connection which renders the Government basely subject, and the people basely tributary, to the banks. In this contest, (I speak it with a sigh for the weakness of our nature,) the contending elements are but too fatally matched. Each power acts with the concentrated energy of organization. One, the organized Government of the people, prompted to defence by the love of liberty; the other, an organized league of monopolies, fired in the assault by the hope of conquest and the prospect of plunder. Though apparently temporary, the struggle will be long and arduous; and, whatsoever may be the result, that result will blast or confirm the happiness of the present, and the hopes of many a succeeding generation.

Sir, the events of the last century have wrought an amazing revolution in the social condition of man. The sword had ever been the great oppres-

sor and plunderer of the world, but that sanguinary agent of conquest and crime has now lost most of its terrors, and physical force yielded to the ascendancy of moral power. Human liberty, nevertheless, still finds an antagonist; and it remains for this generation and for this country to determine whether organized fraud can be made to take the place of the sword in the oppression and plunder of mankind.

Our political institutions were framed with reference to this momentous question, and the maturest wisdom was exerted to guard them against the intrusion of an enemy more dreadful than the sword, because more subtle in its action, and more intense in its grasp. The framers of the Constitution knew that political power was neither more nor less than the control of one man over another; that, amidst the necessities of human life, control over the labor, the property, and the subsistence of man, was control over the man himself. They knew, too, that the natural disparity in the capacities, energies, and dispositions of men, unaided by political discriminations, was insufficient to destroy that equality of condition so essential to the safety of each, and to the common happiness of all.

Upon these high elementary principles the Constitution was based. Throughout the whole frame of our system, embracing both the State and Federal Governments, the people are viewed as an aggregate of individuals equal to each other, not as an association of classes and orders. Property is treated as an object of acquisition equally by all, not as a subject of monopoly or exclusive appropriation by any. Rights, only, are recognised: privileges, discaided. The contrivances which in other countries had been devised to classify the community, and graduate the scale of dependent orders, were rejected as incompatible with civil liberty. Titles of nobility, all the machinery of entails, perpetuities, and primogeniture, being thus rejected, our ancestors put the Government in motion, believing, as they sincerely did, that man, and the proceeds of his toil, were forever secured against pillage and oppression.

Such, in the beginning, were our institutions—such then was the condition of our country. But, sir, a power antagonist to these principles was soon transplanted from the British monarchy into our system—a power which has silently incorporated itself with our social economy, inverted the natural action of the Government, and now threatens its total subversion.

By common consent, the whole civilized world had set apart a particular species of property as the representative standard of value for all other property. Such were precious metals, gold and silver, which, after receiving a fixed form and the stamp of public authority, had, by way of eminence, been denominated money. When the Constitution was adopted, commerce had supplied our people with an amount of this money equal to their necessities; and, in addition to this, they had enjoined it as a duty upon their own Government, to adapt these metals to the public use, by regulating their form and value. This was done, and for a time all was well. But, from England, the banking system was transplanted upon our shores. By its agency, individuals were enabled to withdraw

from the public use the whole metallic medium, and to retain it as a monopoly in their own hands. The means, as well as the privilege, of accomplishing this object, were conferred as gratuities by arbitrary legislation. Under these legislative acts, called charters, they assumed the name of banks, proceeded to issue their private credit in the form of due bills, which being thus made by law nominally equal to money, went forth to fill the void left in the community by the withdrawal of the precious metals.

Such was the fatal entrance of the paper or banking system upon our soil. It came as a tax-gatherer from that country to which our fathers had refused to pay taxes. It came immediately after our Revolutionary war, and its advent was the beginning of a counter revaluation. It came fraught with monopoly, privilege, and perpetuity—principles in direct hostility to those upon which this Government stands.

And thus, sir, whilst the Constitution requires Congress to coin metallic money for the use of the country, and to regulate its value, the banks are authorized to annul the action of the Government, by withdrawing that money from the people, and substituting in its stead a paper medium, whose value it is impossible to regulate. Every citizen has a constitutional right to demand gold and silver in payment of his debts, because the Government is bound to coin these metals for the debtor; yet the banks have made it impracticable for the creditor to exact, or for the debtor to pay, any thing but paper. The Constitution seeks to secure the people against taxation, except with their own consent, for the use of Government, and in proportion to their representative influence; but the paper system levies an enormous tax upon them against their will, in unequal proportions, and for the exclusive benefit of the banks. All perpetuities are forbidden, yet moneyed corporations have arisen among us, with power to renew and perpetuate themselves by the threat of public ruin as the penalty of their discontinuance. Privileged monopolies, tending to enrich the few to the oppression of the many, by destroying the co-equal distribution of labor and its proceeds, were carefully excluded from our political system; but, notwithstanding this, companies have been chartered with authority to monopolize that species of property called metallic money—the only property which the Government is required to prepare for the use of the people—property with which they cannot dispense, and with the monopoly of which these corporations are enabled to control all other property, and the labor of the whole people. And thus, though the Constitution secures to the citizen his property inviolate, so that its quantity cannot be diminished but for the public use, and upon the payment of an equivalent, the banks are permitted to diminish, at will, the value of every man's lands and goods, by varying the amount of their discounts.

These things, deeply and vitally affecting the well-being, the very subsistence, of every man in the Republic, the banks are permitted to transact, not in the wholesome presence of the people, not in the light of day, but in darkness and in secret, between the walls of subterraneous caverns. And this is allowed in a country whose constitution and

laws carry responsibility along with every act of power that may, in any degree, affect the public interests, subject the conduct of the most subordinate officer to the general scrutiny, and inflict penal justice upon every delinquent.

Sir, the privileges thus conferred upon these combinations of men called banks—the privilege of monopolizing the whole traffic in the precious metals—of withdrawing those metals from the use of the public—of issuing their due bills as the sole currency of the country—bills which are but the counterfeit of the money they purport to represent—bills which, for the most part, constitute a species of credit founded, not like that of individuals, upon actual property, but upon an arbitrary credit, created by acts of arbitrary legislation, and forced upon the people as the representative of things that do not exist—the privilege of monopolizing the faculty of loaning money—of loaning their credit as money—of compelling every citizen to exchange his for their credit, with a premium for the exchange—of increasing and diminishing their loans at pleasure, without notice to the community. These mighty privileges concentrate a mass of power, such as never existed in any other country, and never can be concentrated in any other form than that of the paper system. Such a system must forever act with a tenfold force upon the people of a free Government, because such a Government is, in its social structure, necessarily too feeble, and exerts too little control over the citizen and his property, to protect him against a power holding in its own hands the value of his labor, and the measure of his subsistence; for, after all, man must, in the nature of things, ultimately yield to that power which bears most directly and steadily upon him. The necessities of life leave him no means of resisting a power that determines, at pleasure, the quantity of his daily bread.

And now, I ask, what monarch, what Government, in any age or country, ever possessed a power over the labor, the property, the subsistence of the people, over their domestic comforts, their social happiness, so arbitrary, so irresponsible, so omnipotent, as that which the banks of this free country now hold over this free people? But are we free, can we feel that we are freemen, whilst there exists in our midst a despotism of chartered companies, changing our social condition from day to day, at its own pleasure, for its own benefit?

Sir, one of the essential elements of freedom is the security for the future which we have in the present. Your paper system deranges the whole community by a single act. It throws out a hundred millions of loans to-day; it withdraws them to-morrow; and a revolution in property is accomplished. The honest citizen retires at night with the accumulated proceeds of his toil around him; he rises at morn in bankruptcy and despair. The banks have reduced the circle of their favors, and his property has been sacrificed upon the scale of depreciation caused by the curtailment. The third day comes, and he is once more stimulated into life and hope by the returning tide of bank facilities: the fourth day he is replunged into beggary by bank contractions. Thus, by these alternations, the cheerful prospect of improving his condition by regular labor is blasted for ever. He is left to beat

about in the feverish void between the extremes of hope and despondency. And, sir, that restless irritation of the public mind which is hourly putting at hazard the repose and the neutrality of the country, is among the natural effects of these sudden and frequent transitions in the circumstances and fortunes of men.

But, Mr. President, the powers and privileges of the banking system, vast and direful as are now their effects upon the social circumstances of the people, are destined, if not arrested, to become still more so, by bearing down the Government of the country, and erecting in its stead, a cold, sordid, mercenary despotism. The progress of the system towards this end has been silent, but steady, direct and rapid. Already I have shown its power over property and labor, and, through them, over men, by its connections with our whole domestic economy. But its more immediate influence upon our political institutions remains yet to be seen. This influence is exerted, first, upon the mass of the people before they have delegated their power, and again, upon their agents, after the delegation is made.

Banks derive their being from legislation. They are of political origin. They sustain and perpetuate them selves by re-acting upon the source of their existence, and therefore necessarily become an element of political power. Every new one increases the strength, and guarantees the perpetuity of those that preceded it; and all unite, still further, to augment their number. Each is a monopoly as against the community, the common object of spoliation, but all stand upon a level with regard to each other as co-agents in plunder, and co-equal recipients of its spoils. Among themselves, they are not beings of a distinct existence, but cohesive parts of a system, with all the functions of a complete and powerful organization. The Pennsylvania Bank of the United States is the centre of the system, because that is the member in which the greatest power is accumulated, and which stands in the region where the payments of the continent are made. To this institution, therefore, all the parts of the system are attracted by a gravitation as infallible as that which draws the waters of the West to the Gulf of Mexico, or holds this Capitol to the earth. By dispensing its influence throughout all the channels of political power, and re-acting steadily upon the legislation of the country, the system has, within less than the half of a century, strengthened its grasp, and enlarged its orbit, till it now comprehends eight hundred banks, with a capital of three hundred millions, a circulation of a hundred and twenty millions, and a mass of loans amounting to near five hundred millions of dollars. This frightful power is concentrated, nominally, in the hands of about ten thousand officers of banks, but really in those of a single man, who, as president of the central member, controls, by his solitary will, the whole machinery of the system.

But in what manner has the system thus re-acted upon legislation, the source of its existence? What human agency has it employed thus to enlarge and perpetuate itself, and what is the extent of that agency? In reply to these questions, ten thousand bank presidents, directors, cashiers, clerks, counsellors, and attorneys, stand forth to our view.

They are followed by an army of at least seventy-five thousand stockholders, whose rear is covered by a train of dependants indefinitely long. But if these numbers of men are great, what shall we say when we see still advancing the multitudinous host of borrowers, with their dependants, and all these to be succeeded by a swarm of impatient expectants? When the banks suspended payment, their loans and discounts verged close upon the sum of *five hundred millions of dollars*. This amount, if loaned for a single year, in the proportion of one thousand dollars to a man, would embrace *five hundred thousand men*; if loaned, in the same proportion, for six months, it would reach *one million of men*; and if loaned for the usual period of ninety days, then the bank borrowers, in a single year, would number *two millions of individuals*—a number far transcending the entire voting population of the Union. But these institutions distribute not their favors so equally as this. If, however, they do not bring the influence of their loans to bear directly on all this multitude, they advance far towards effecting that object, indirectly, by applying their money only to those who, from their influence in society, can control most of the rest.

And now, I ask, who are the men that compose this amazing concourse of bankers, stockholders, borrowers, and dependants? Where are they to be found? Are they among the humble citizens, doomed, by the necessities of life, to toil in obscurity? Are they to be found in the field or in the workshop? No, sir, no; they are to be found in the shade of summer and in the sunshine of winter; they are to be found amidst this forest of banks that overshadow the cities, towns, and villages, of the Republic. There they are; and there, at this very moment, they may be found, crouching in servile submission to these institutions—defending their frauds, the most stupendous that ever were committed—defending their open rebellion against public law, and reviling the Government of their country, and the friends of that Government, with all the bitterness of mercenary malice. Firm, sir, must be the heart of that man, and strong must be his nerve, who dares to complain of the oppression of the banks—who dares to lift the voice of patriotic warning to his countrymen. Stern must be his soul, and indomitable his fortitude, before he presumes to rebuke the power of the banks—a power which has already coiled around the sacred forms of the Constitution, which is day by day increasing the intensity of its pressure, and strangling public liberty in its folds.

I ask, again, who are these men, and where to be found? True it is, that many of them are citizens good and valuable—but true it is, also, that they are, in the general, men who live by devices, by traffic and speculation. They are congregated in towns and cities, where banks dispense their favors, and where they combine to defend all the injustice of the dispensing power. Thus, each one of these delinquent corporations stands securely in the midst of a faithful garrison. Let an injured citizen utter a word in complaint of his wrongs, and in a moment he is denounced, his character assailed, and his influence impaired or destroyed. Let a public journal print but an unfriendly line, subscriptions to the paper are imme-

diately withdrawn, advertisements discontinued, and the affrighted printer persecuted into submission or beggary. Thus, that loud sentinel, the Press, intended as it was to sound the alarm on the first approach of danger, is subsidized by favors, or silenced by intimidation. If it speak at all, it must speak only in praises to the banks and in treachery to the people.

Among this crowd of clamorous dependants are found a thousand bank attorneys—men, whose professional connections with the community, whose habits of public speaking, give them a disproportionate influence over the public mind. They, one and all, stand forth, in aid of subsidized presses, to justify whatever enormities these corporations may commit against the people, and to ascribe all the crimes of banks to the Government of their country.

It is thus that the powerful influences which contribute to mould and direct the passions and opinions of towns and cities, are arrayed on the side of the banking system; and it is thus, also, that towns and cities, through the intercourse of business and the agency of the press, contribute so powerfully to mould and direct the passions and opinions of the whole country.

Is it, then, wonderful, that a system which has prostituted and purchased into its service so much of the intellect, which has combined in its support so many of the active elements, of society, should have assumed a despotism, almost absolute, over the public judgment, and laid the country under tribute, even with the country's consent?

And yet, sir, notwithstanding all this, the control of banks over property, over labor, over the very subsistence of the people, notwithstanding their domination over such a multitude of men, whilst power yet abides in the mass, there would still be hope for public liberty, if that power remained uncorrupted when delegated to public agents; for this is the point where the attack is most direct and fatal. The representative principle is the vitality of the Government; and its corruption puts an end to civil liberty. Are we, then, exposed to danger in this direction? Has bank influence reached the public functionaries? Has it contaminated power in their hands; bent them from the line of duty? And have they rewarded the generous confidence of the people with treachery to their dearest interests? I ask these questions; and now, sir, who stands ready with a negative answer? Will it, can it, be denied, that the banking system has, from its very beginning, enlarged and perpetuated itself by re-acting constantly upon the legislation of the country? Look throughout the Union, with what assiduity bank presidents, stockholders, lawyers, borrowers and dependants, are pressed upon the public favor as candidates for all offices, legislative, executive, and judicial. And what, sir, has been the result? How many of these men, thus controlling banks, or controlled by them, thus directly interested in, or personally dependent upon them—how many are seen in the Legislature of every State? Who will say that these men, interested as they are in bank profits against the people who pay them, do not constitute at least one-third, and often a half, of every legislative body? Who will deny that these legislators, faithless to the sacred trusts

confided to them, regardless of the public welfare, and mindful only of their own interests, have ever combined, and still do combine, to multiply the privileges, to diminish the responsibilities, and to increase the profits of the banks?

The fundamental laws of the Union, and of the States, have sought to guard public men against temptation and impurity, and thus to secure fidelity to the people, by express provisions. In most, if not all, of the States, men are ineligible to offices created by their own agency, as members of the Legislature; and the officers of the General Government, one and all, are disqualified to sit in the legislative bodies of the States. And yet, in a country so jealous, so vigilant of its freedom, what is the practice universally prevalent, where banks are concerned? Do we not see members of the Legislature, who are already interested in or dependent upon banks already established, conspiring among themselves, as well as with others, to charter new institutions, to incorporate themselves by name, and thus to levy money, for their own use, by their own acts, upon their own constituents?

But is this all? Are the corrupting influences of banks to be found only in legislative bodies? No; the Executive departments of the States are equally exposed. Bank presidents, directors, stockholders, lawyers, and borrowers, may be seen in the persons of Governors and other officers, throughout all the gradations of executive and ministerial authority.

But if the influence of the banking system be fatal to the honest exercise of legislative and executive power, what are we to hope when it falls upon the inviolable ermine? for there it has fallen, and there it has left a stain of impurity broad as the face of the Union. Banks know, full well, the value of a friend at court. They know who are to expound their charters; to limit, or extend, by mere opinion, their powers and privileges; to probe or conceal, to punish or connive at, their frauds and delinquencies. This they understand, and bank officers and dependants are, therefore, converted into judges, or judges converted into bank officers and dependants. In either event, the result is the same to the people. And thus it is that the public law of this great and glorious country, instead of emanating from its freemen, is often both made and administered, in their very presence, by the agency of banks, which are themselves but the creatures of law.

Sir, it may be assumed as a political axiom, founded in the nature of our social being, that, in a popular Government, every considerable division of the community, whether based upon distinct interests, abstract principles, or upon the diversity of human passions, will, if it admit of a separate organization, ultimately become partisan in the struggles for political power. The banking system is such a division; it is so organized, and has openly assumed all the attributes of a partisan. But so comprehensive, so vast, are its powers, that instead of being merely secondary, it has itself become the primary basis of such a party. Instead of being attracted by other interests, it has drawn those interests to itself; and thus the politician is rendered subordinate to the banker, and the public welfare an object subordinate to the welfare of the banks. Sir, is the fact doubted? Then look back

through the last eight years; look over the face of the country at the present moment; look through both Houses of Congress; look to the measure now pending in the Senate. What is, what has been during all this time, the controlling influence, the very life and soul, of the Opposition? Has it not been, is it not now, the influence of banks alone? And who are they that devise the measures and direct the energies of that party? Are they not bankers, or the agents, attorneys, and dependants of banks? For what is the struggle protracted? Is it not for the interests of banks? and is not their triumph the great and primary object?

Yes, in all the conflicts of mankind, the power which pays the troops will forever control their movements, and appropriate the benefits of victory. From the first day that the late President advised the discontinuance of the Bank of the United States, that institution, as the central member of the banking system, has struggled to coerce the American people to deliver up their Government into the hands of its lawyers and dependants. And even now, while I am speaking, this, with its eight hundred confederated banks, after having thrown off all the restraints of law, stand forward still claiming the empire of the country, and demanding the public money, in advance, to aid in establishing that claim. And, sir, in what spirit are these frightful pretensions of the banks put forth? What language have we heard? What passions have we seen displayed upon this floor? Have we not heard the same bitter invective, seen the same infuriated passion, which has ever characterized this mercenary warfare upon the Government and the people? In what language, in what spirit, in what manner, have we heard the late President of the United States spoken of by the Senator from Kentucky, [Mr. CLAY?]  
We have heard that illustrious citizen, though retired to private life, though in no man's way to power, though worn down with age, and standing upon the very verge of the grave; yet we have heard him denounced in the councils of his country—that country which he has served, and saved by his serving; yet even here we have heard such a man denounced as though he were the worst of traitors still prosecuting treason. Napoleon is declared to have been his object of imitation—and why? Did President Jackson usurp the Government? Did he slaughter three millions of his countrymen in attempting the subjugation of the earth? And is he now chained, for his crimes, to a desolate rock in the midst of interminable seas? Or if not so, why not? Why is he suffered to go at large? Why to live in safety, unguarded by power, unawed, unoffended by man? No, sir, his only crime is that of having secured the liberties of his country, by arousing the noble spirit of his countrymen against the sly and insidious attacks of a low, stupid, pilfering despotism. If he be guilty, who is innocent? Are the freemen of this land not as criminal as he?—they who, without flagging for a single moment, stood by him to the last? †

But, sir, who is this man thus charged? Who was he? He was an orphan boy, poor and friendless. And yet, by the energy of his character and the force of his genius, he has made the entire cycle of public honors in the first country on the

globe; and now, at a goodly old age, he reposes within the peaceful precincts of his beloved Hermitage, with a heart still pure, a judgment unimpaired, and a character still victorious over malice and defamation. That motley rabble of British mercenaries with arms in their hands, of British stipendiaries with charters in their pockets, of political wranglers and declaimers, who made up the bridle faction of his country's enemies and of his persecutors, have served only to mark by their fall, one by one, the dates and space between the successive victories of truth, genius, and virtue, over their antagonist principles. There the old man stands, the private citizen, in the furrowed fields of rural life, his venerable form presenting the very incarnation of triumphant patriotism. His fame is fixed, and will for ever remain as immutable to the touch of hostility, as are the fixed laws of truth to the assaults of falsehood. You, Senators, who are his friends, need no longer be concerned on his account. His character is now safe in the public affection; and when he shall have passed down the steep declivity of his remaining days, his grave will be walled around by the hearts of his grateful countrymen, against that vampire spirit that would violate the tomb to glut upon his blood.

And now, sir, having been thus forced into a digression by the injustice done to an absent man upon this floor, I return to the matter before us.

It has been said that the Bank of the United States was never so powerful, because it had been prostrated by President Jackson. But this is an assumption not sustained by the fact. For although the President and people were united against it; although it had violated its charter, spurned the authority of Congress, refused to be examined, leagued with politicians, subsidized some, flattered the ambition of others, and made panic after panic to subdue the spirit of the nation, yet does it stand; and though black with these its notorious offences, it still claims the Government of the country. Yes, sir, it stands, as before, the central power, controlling the paper system throughout. What change has been made in any particular, excepting in the source of its charter? And how has even that change been effected? Was it by the agency of Congress? No, but by that of the people through the Executive veto; for when or where did such an institution ever want influence to obtain a recharter through a legislative body? And why, sir, is this the case? Is it not because these institutions re-act, as I have already said, upon their legislative creators? The bank was actually rechartered, so far as legislative action could effect it; but under what circumstances this was accomplished, the ever enduring records of Congress will show. Before, however, I proceed to exhibit these records, in evidence of the private relations subsisting between the bank and many members of the Congress which passed the renewal of its charter, I will read a precedent for this scrutiny into the bank connections of public men.

On the 31st of March, 1834, (it was the panic session,) this resolution was submitted by the Senator from Kentucky, [Mr. CLAY,] passed this body, and was afterwards satisfactorily responded to by Mr. Taney, then Secretary of the Treasury:

“Resolved, That the Secretary of the Treasury be

directed to report to the Senate what amount of public money is now on deposit in the Union Bank of Maryland; when and on what account it was deposited; and also whether any Treasury drafts, contingent or other, have been, during the month of March, 1834, furnished to the said bank, or at any time heretofore to the Bank of Maryland, for any, and what purpose. *And that he likewise report what amount of stock in the capital of the said Union Bank was held by R. B. Taney, Esq. when the said bank was selected as one of the banks to receive, in deposit, the public money; and what amount of the stock he now holds.*"

Such was the resolution; such were then that Senator's suspicions against the purity of the very banks to which he now wishes to commit the revenue; and such then his determination to probe the bank corruptions of public men. If, therefore, these supposed connections of the Secretary with a bank selected by him as a depository of the public money, were deemed so perilous to the honest discharge of his official duties as to demand investigation, it cannot be improper or unwise to inquire into the private relations which the Bank of the United States contracted with the members of Congress, of whom it was asking a recharter. But, sir, should any man feel aggrieved by such an exposure, he must ascribe his misfortune to the Senator from Kentucky, who first began this inquisitorial purgation.

In 1834, (it was the panic session,) a majority of this body being in favor of the bank, instructed the Committee on Finance, which was also favorable, "to investigate the affairs and conduct" of that institution; and that committee made, through Mr. Tyler of Virginia, a report upon facts furnished by the bank itself. What, then, are the facts thus furnished and thus reported? Here they are presented in words and figures, giving day and year, with all the distinctness and accuracy of the tabular form. The table suppresses the names, but exhibits the number, of the members of Congress who obtained loans of the bank, and the amount obtained, from 1826 to 1834. Now, sir, let the Senate and the nation bear it in mind, that it was in his message at the opening of the session of 1829-30, that President Jackson announced his objection to the renewal of the charter. From that moment, the renewal became the subject of political strife; and let it never be forgotten, that it was through Congress the bank was to pass, or die. Few, if any, of the members were merchants whose business required large advances of money. But if such advances were necessary, why were they not obtained from the six or eight hundred local banks, some of which were standing in the State, the district, and even at the very door of almost every member? Why did members pass all these, and apply for loans to the only bank upon whose life or death they were required to decide? But is this the fact? Can it be possible that public men could ask private favors from an institution which, at the same moment, was asking public favors of them? And will it be believed, that both parties, regardless alike of their obligations to the country and of the opinions of the world, gratified the desires of each other in every particular, and to the full limit of their mutual powers? Yes, this table

answers these questions; and, if I mistake not, the answer will astound this nation. It shows, that in the very first year of the bank contest—the year of 1830—the bank loaned one hundred and ninety-two thousand one hundred and sixty-one dollars to fifty-two members of Congress; that, in 1831, it loaned three hundred and twenty-two thousand one hundred and ninety-nine dollars to fifty-nine members; that, in 1832, it loaned four hundred and seventy-eight thousand and sixty-nine dollars to forty-four members; that, in 1833, it loaned three hundred and seventy-four thousand seven hundred and sixty-six dollars to fifty-eight members; and that, in 1834, it loaned two hundred and thirty-eight thousand five hundred and eighty-six dollars to fifty-two members.

Thus it was, that during the five years of the contest, ending with the panic session of 1834, the Bank of the United States, struggling for a renewal of its charter, distributed in loans, one million six hundred and five thousand seven hundred and eighty-one dollars, to two hundred and sixty-five members of Congress. This enormous sum, greater than the aggregate salaries of all the members of both Houses of Congress during the same period of five years—a sum equal to one-fifteenth part of the whole annual revenues and expenditures of the Federal Government—this sum was thus bestowed, as accommodations, by the bank, at a time of pretended pressure, upon the very men of whom it was asking a charter—a charter, which, if granted, would enable the bank to levy millions in tribute, year after year, upon their constituents.

Sir, these things may have all been innocent. It may be that the additional half million of dollars thrown, as facilities, into the two Houses of Congress by the bank, in 1832—the very time when its recharter was pending and passed—it may be that the large amount, still in addition, thrown in whilst the question of restoring the deposits was pending, in 1834—it may be, that these great and well-timed favors, bestowed by the bank upon men whilst sitting in judgment upon its life and its claim to the public revenue—it may be, that these things had no other effect than to make the recipient members better patriots, more devoted to the public interests, less intent upon their own, and more impartial actors in the contest between the people and the bank. These loans may have been harmless, these men uncorrupted. I know not one, by name, who received these moneys, for their names are suppressed in the report of the committee. I speak not, therefore, to criminate or wound the feelings of any one. But, sir, I know the nature of man; I know that coming to Congress changes him not for the better; I know that gratitude for favors is a principle of that nature; I know that obligations are thus created which the human heart is bound to acknowledge, and the human mind finds it hard to disobey. These things I know; and I know, too, that public liberty can never be safe whilst public men are exposed to such temptations. It is for these reasons, sir, that I stand up this day, not only as an American Senator, but in the still prouder attitude of an American citizen, to warn my countrymen of a danger which I most solemnly believe now threatens the purity and safety of their Government.

But, sir, is this all? Were there no other influences but the facilities of that bank exerted upon the members of Congress during the contest? Were there no other relations subsisting between the members and the bank, but those of borrower and lender? How many of its lawyers and stockholders occupied seats in this Capitol? How many men sat here who were the lawyers, stockholders, and borrowers of the numerous local banks which had petitioned for the recharter of the Bank of the United States, because interested as part of the same system? How many such men were to be found in the several legislatures, bending the influence of whole States to bear upon this cardinal object? And now, sir, I put the question, if that institution, alone, had, pending the struggle, such a number of its attorneys, stockholders, and borrowers, in the two Houses of Congress, how many of such agents and dependants may this, with its league of eight hundred local banks, be supposed now to have under this roof—now, when all these corporations are making a united effort to grasp the public revenues?

Sir, I again say, that members standing in such relations to the banks, even at a time like this, may still be innocent; they may be uninfluenced by bank emoluments in deciding the question of rewarding banks with the profitable use of the public money. All this is possible; but "lead us not into temptation" is, nevertheless, a part of that prayer which is the inheritance of our race.

If, in the administration of justice, the slightest interest in the result disqualifies men to testify or sit in judgment; if the parties litigant are forbidden even to speak in private to a juror, what would be thought of that judge or juryman, who, pending a trial for life, character, or property, should ask and obtain, from one of the parties, the private favor of an enormous loan? Or if the partner or attorney of one of the litigants were found upon the bench, or in the array of the jury, would not such offending judge or juryman incur and deserve as well the public odium as the penalties of public justice? And if, sir, such securities are necessary to the honest administration of law, are they not still more so to guard the purity of the law making power?

Sir, members of legislative bodies should be the last men in this nation to form private connections, or contract obligations, with banks, because they are the men of whom these institutions are constantly asking public favors. If, however, they will do so, regardless of the indelicacy of incurring such obligations, they have no right to evade detection, or to complain of exposure. For what is the course which they pursue, towards other citizens less exposed to corruption, and fully as likely as themselves to resist it? What do we hear, in both Houses of Congress, from day to day, through every session? Do we not hear all officers of Government indiscriminately denounced—denounced as dishonest partisans, corrupted by salaries for which their whole time and labor are bestowed in the public service? More than eleven thousand citizens are employed as postmasters; and although a large, if not an equal, proportion, of the number, are known to be hostile to the party in power, yet we have heard them, one and all, proclaimed to be unprincipled

wretches, prostituted into the service and support of a corrupt administration. And now, sir, who are these officers, and what is the amount of those salaries with which they are thus corrupted? Nine-tenths, at least, of the entire number, are farmers residing at cross roads, or mechanics, or inconsiderable merchants, in the little villages, where they are induced to accept of the offices solely for the accommodation of the citizens in the neighborhood. For, in most of these cases, the whole salary received by the officer falls short of twenty dollars a year. But in this calculation I will leave nothing to conjecture; I will speak from the facts and the figures, as found upon the records of the Post Office Department. What, then, is the result?

On the first day of July, 1837, there were, in all, eleven thousand seven hundred and seventy postmasters; and the aggregate salaries paid to the whole, during the preceding year, amounted to eight hundred and ninety-one thousand three hundred and forty-three dollars. Thus, the aggregate amount divided by the number of officers, will show the average annual salary of each to have been but seventy-five dollars and seventy-three cents. And yet, sir, these humble citizens, who thus give their services to the public for a compensation so trivial as this, are denounced in their absence, denounced in the councils of their country, denounced with bitterness and ferocity, as basely prostituted by such salaries as these; and that, too, by members of Congress, who are themselves receiving, for less than half of their time, an average of fifteen hundred dollars annually of the public money. Yes, this is done; these denunciations are poured forth by the very members who, not content with the ample amounts drawn by themselves from the public Treasury, are daily asking, and daily receiving, thousands on thousands in loans from banks, whilst they stand in their places, voting in return to these corporations the custody and the use of the whole revenues of their country. It is in vain, sir, for men who so unjustly, so cruelly revile others for such causes as these, to expect to elude suspicion, whilst exposed themselves to temptations so much more powerful. No: the American people will judge; they have a right; it is their duty to judge, between the delinquency of the accused and the criminality of the accuser. They will judge, and correctly, too, who are the most exposed to corruption, who most likely to yield: the postmasters, with such salaries as these, living in the pure air of the remote interior, among the people themselves; or the men who, withdrawn from the people, stand here, amidst the impurities of the Capitol, reciprocating public for private favors with the banks.

And here, sir, in passing from this view of the subject, I will only remark that, if the liberties of the country are ever overthrown, it will be by corruption; and that if corruption ever strikes into our system, to a fatal degree, it will begin and end in the legislative department. This apprehension is authorized by history, and arises from the fact, that whilst a legislative body is necessarily so small that a majority of its members may have each an individual interest in measures adverse to the general interests of the community, such a body is

yet so large that the individual responsibility of each member is weakened and obscured in the crowd. It is between these extremes of great interests and little responsibility, of great temptation and little danger, that corruption strikes; for detection is ever difficult, and impunity probable, when crime comes in organized masses.

If, Mr. President, the tendency of the banking system to exert unwholesome influences over legislative bodies, and if the exposure of those bodies to such influences were not already apparent, these facts might be clearly demonstrated by the extraordinary changes in the relations of public men since the bank contest began. The great body of the people have stood immovably opposed to a National Bank, and as invariably favorable to a reformation of the whole banking system. And yet how numerous are their public agents, who, after their elections to Congress or the State Legislatures, have shifted their ground upon all these questions? But where have they gone? What has been the result of these changes? How few who were friendly, have become unfavorable to banks? How many who were opposed have become friendly to them? Upon the known principles of the human mind, when acting beyond the sphere of adventitious influences, it might be supposed that these changes, for and against, would, in some degree, have counteracted each other. Has such been the fact? No, sir: the betrayed Democracy of the Union feel, and will never forget, that these changes in the course of their public agents have been almost uniformly against the country, and in favor of the banks. And why this strange coincidence? Is it because the conduct of these institutions has been such as to induce a belief in their purity and innocence? If so, why has the same conduct tended only to strengthen in the minds of the people themselves, the opposite conviction? No, sir, no: there can be but little, there can be no difficulty, in solving the secret. Scarcely a man, of all the deserters from the Democratic ranks, leaves behind him a doubt as to the place of his destination. When he goes, no reward is necessary to his detection. He is to be found in the vault of a bank—there is the attraction, and to that point he gravitates.

The Senator from Virginia, [Mr. Rives] in the zeal of his opposition to the bill before us, has been pleased to attribute the present condition of the banks to "the hostile action of the Government"—to "the Treasury order." I regretted to hear such a charge from such a source. That Senator has long been a member of the party to whose agency he now ascribes these criminal results. We had a reason to hope, and a right to believe, that his opposition to the measure would be that of a friend dissenting with regret; not such an opposition as might be expected from one eagerly seizing an occasion to criminate his old associates, or from an enemy venting the rage of veteran hostility. This language is the more to be regretted, because whilst it is rendered doubly painful by the sincerity of former friendships, it seems to spring from a conviction that those friendships may never be renewed. Had the Senator but gently chided his friends for what he supposed to be the impolicy of the pending measure, had he uttered but the coun-

sels of mild admonition, he would then have evinced an unchanged temper of mind, rendering the probability of his future co-operation more than an equivalent for his present opposition. If, however, he could not, in sincerity, do this; if he has fixed his purpose to depart for ever, in spite of all the associations which formerly bound him to the Democracy of the Union; if such be his destiny, then not a syllable remains to be pronounced by his ancient friends but the melancholy word—Farewell!

— "A word that must be, and hath been;  
A sound which makes us linger; yet, farewell."

This bill, sir, is assailed as a new source of Executive patronage, and the Senator from Virginia sees in its provisions nothing but the frightful spectre of political corruption. I admit the general tendency of patronage to corrupt; and yet that Senator might have given at least one example where it had been bestowed with no meagre liberality without corrupting the fortunate object of Executive bounty. But what is patronage, and to what extent is it sought to be increased? It is the means of acting upon men by rewarding their favor; and the bill creates but about twenty-five additional officers, with inconsiderable salaries. Thus it is, that this patronage, which cannot extend to thirty individuals—a number less than the one-hundredth part of those who may be reached and controlled by the patronage of the smallest bank in the Union; this patronage is denounced as dangerous, by the very men who are now seeking, by their amendatory substitute, to arm the Executive with the whole banking system of the country; with an absolute power over the whole currency; over the property, the labor, and the very subsistence of the entire body of the people! Can men who are struggling to confer powers so omnipotent as these, be sincere in their apprehensions of danger from the paltry patronage created in the bill?

But the first of the two principal features of the bill incurs the hostility of the Senator from Virginia, as affording insufficient security for the safety of the revenue. What, then, is this feature? It provides that the sworn and responsible officers of Government—they who have always collected the public dues—shall, aided by a few others named in the bill, continue to collect them; shall keep them safely till appropriated by law; shall give ample security; shall not use or loan a dollar; all upon the penalty of their bonds, of imprisonment for years, and of eternal degradation as men. Thus all the safeguards that can impose restraint on human agency are provided; and if these are insufficient—if pecuniary and corporeal terrors, with the certainty of personal debasement—if all these afford no guarantee for the rectitude of human conduct, then man can no longer confide in man, and all popular government must end. Why, if officers cannot be trusted with the care of the revenue for a week or a month, till drawn for the public service, why trust them with its collection in the first instance? and why trust other officers with its final disbursement? If agents appointed by the people, from among the people, to transact the affairs of the people, and responsible to the people, are unworthy of the people's confidence; and if, also, bank agents, appointed by

banks, interested in banks, and responsible only to banks; if such men are alone worthy to be entrusted with the public income, why not give them its collection and disbursement? Why not deliver all public property to them—place them over your fleets and armies—give them, in a word, the government of your country? No, sir, these apprehensions for the safety of the national treasure, in possession of the sworn and responsible officers of the Government, cannot be sincere, without gentlemen solemnly believe the representative principle of the Constitution radically impotent, without they deem revolution plainly inevitable, and therefore desire to substitute the banks for the people as the source of political power. For, how can men, who believe the Constitution adequate to all the ends of Government—how can they look the country in the face, and declare the revenue more safe in the hands of banks, expressly authorized by law to use it, than in those of officers positively forbidden to touch a dollar, under the penalty of forfeiture, imprisonment, and dishonor? From what part of the conduct of banks and bankers, is such a conclusion to be drawn? Is it from the fact that they have already seized millions of your funds, placed for safety in their vaults—that they still retain them, and now demand of Government its future revenues, as the sole condition upon which they will pay their debts either to the Government or the people? Is it for these reasons that banks are again to be trusted?

To this feature of the bill, however, the Senator from Massachusetts [Mr. WEBSTER] urges another and a very different objection. He is alarmed at the strong boxes, the bars, and the bolts—the very means intended to increase the security of the public money. These cumbersome fixtures of Gothic barbarism offend his taste, affright his fancy, and shock, most deeply, his nervous sensibility. And yet that Senator can contemplate all the parts of this dreadful apparatus without terror or emotion, if it be but found in the vault of a bank. In such a cavern he seems composed and at home; there, in that subterraneous abode of all honesty and of all innocence, his imagination can rove, unappalled, through the chilled darkness and the dense vapor, and catch, and hang, and lounge, and repose, upon bars, and bolts, and locks, and hinges, swinging the ponderous door to close the iron entrance. His fright in the one case is equalled by nothing but his courage in the other; and if, in the one instance, his respiration is difficult, in the other, he “breathes deeper and freer.”

Yes, it was the Treasury order, the hostile action of the Government, that brought the banks to the ground, by impairing the public confidence. Such is the charge, but what is the fact? All are aware that, until within the last few years, no bank ever dared to discount beyond the aggregate of its capital and deposits. What, then, was the case at the time of suspension? The Treasury order had long been issued; and yet, in the face of that order, and in defiance of its effects, the banks had discounted a hundred millions of dollars beyond the united total of their capital and deposits, both public and private. Such, sir, was then the public confidence, and such the imbecility of the order, that the banks were able thus to levy an extra tax

upon the people, equal to the interest upon a hundred millions of ideal capital—a capital existing nowhere, based upon nothing but the incautious credulity of the country. And now, sir, the banks having expanded their discounts, and with them expanded the public confidence, until the very excess of that confidence has laid the whole system in ruins, we are told, told to our faces, told in the presence of these facts, that the system caved in under the pressure of the Treasury order! This we are told with the bank tables before us, and whilst these tables exhibit an expansion of loans and discounts, after the promulgation, and in despite of the order, such as the banks of no other country, nor our own banks at any former period, ever dared to attempt.

No, sir, the explosion of the banks was natural and inevitable. The Treasury order neither quickened nor retarded the catastrophe. Its only effect was to break the violence of the shock, and to circumscribe the extent of the ruin. The connections of the banks, instead of being confined within the circle of commerce and trade, had become so universal and intense with all the parts of society, as to compel men to silence their own apprehensions, and to express confidence, which they did not feel, in the solvency of the system. The supervisory control of public opinion was withdrawn; the system, therefore, acknowledged no responsibility to law, because no law could be enforced against it. It had grown beyond its natural limits, without the power of receding; and from the moment that it passed the point where public vigilance gave way to public credulity, the system was hurried on to its fall by its own momentum.

Well, the banks are prostrate, the public confidence is withdrawn, and now what remains to be done? We are told that this Government, though without power to control them, without authority to interpose in their affairs, must, nevertheless, restore that confidence by law—restore it, first, by receiving their bills as money, and then returning those bills for the use of the banks. Thus the Government is asked not only to bestow its own confidence upon these corporations, by receiving bills as money known to be worth less than money, and by depositing its funds for safety in banks known to be unsafe; but it is likewise asked to compel the people to acknowledge the solvency of institutions admitted to be bankrupt. And, sir, this confidence of the Government, and of the country, is demanded for the banks by the very same men who are proclaiming to the people that they should repose no confidence in the Government itself, or in their own virtue and ability to select the officers of Government. But what act of Congress, or of the Executive, could restore public confidence in these institutions? None, sir, none: the minds of freemen are not the subjects of legislative coercion; their judgments will never be forced by law upon falsehood in the very presence of opposing truth. You may declare the confidence of Congress in the solvency and honesty of all these corporations, but such a declaration will neither be true nor effective; and, if it could thus control the public judgment, as is asked and expected, it would be a legislative fraud upon the people, and an act of deliberate treachery to the country.

The second and last cardinal feature of the bill before us:—what is it, and what does it propose? Does it propose, as has been assumed in debate, an immediate collection of all the revenue in metal? No: it provides for the receipt, after one year, of one-sixth part only in specie, and then a proportionate annual increase of metal for the six succeeding years; after which, no notes are receivable. This, with the deposit feature, constitutes the whole of the bill called the Sub-Treasury; and it is for such a bill that the substitute has been submitted by the Senator from Virginia, [Mr. Rives.]

And now, what are the features and principles of this substitute?

It first assumes that there are two currencies in the country, one better than the other; that the people and the Government are two separate and hostile bodies; and that the latter seeks to appropriate to itself the better currency, and to force the less valuable upon the former; and having assumed such to be the facts, and such the design of the Government, the substitute then proceeds to defeat this design, by forcing the inferior currency on both Government and people. Well, sir, metallic money is admitted, the world over, to be the only standard of value for labor and property. If, therefore, it be true, that paper is less valuable, then that fact is a reason conclusive, not only against its receipt as money by the Government, but also against the banking system itself, by which such paper is imposed upon the community.

But how stands the other proposition, so repeatedly urged by the mover and by the friends of the substitute? Is it true that the people and the Government are distinct and hostile bodies? It will be admitted, I presume, that the *men* of America, acting through their State agencies, created the Government; it will not be questioned that *they* elect its officers, supply its revenues, and prescribe its policy; nor will it be denied that *they*, the *men*, are, in fact, the Government itself. What, then, does the Senator from Virginia mean by the term *people*, as a body distinct from, and hostile to, the Government? I will seek his meaning in the tendency of his argument, and in the character of the authority he pressed into his service.

That Senator, sir, has commended the genius, and invoked to his aid the opinions of Mr. Burke. I, too, acknowledge, in many respects, the just authority of that transcendent intellect; nor do I withhold from the memory of the man that sacred respect which is due from an American to the memory of one whose life and actions, though an Englishman and at home, had a bearing upon the Revolutionary struggle of our fathers, by no means unfriendly to its success. But still, the writings and sentiments of Mr. Burke were those of a monarchist. He had been reared amidst, and died devoted to, the monarchical system of Great Britain, and of Europe. If his objections to the abuses of that system were great, his fears from its overthrow were yet greater; and it cannot be disguised that, as he declined in the vale of years, his mind took refuge in those very abuses, from the terrors of the French revolution. It was then that he sought to check those liberal principles to which his earlier life had been devoted; it was then, when the insurgent spirit and rising power of an oppressed people

threatened the very existence of monarchy; it was then that he came forward as a politician and as an author, to repress that spirit, and resist that power. The same philosophical temper of mind which rendered him timid as a statesman, amid the convulsive action of masses, ultimately led him in search of some abstract principle upon which to rest his opposition to all popular movements. It was then, and with this view, that in his works on the French Revolution, and in his celebrated "Appeal from the new to the old Whigs," he laid down and enforced the principle, that *men, told by the head, are not, in a political sense, the people of a country*; but that *fixtures, corporations, orders, and classes, being distinct parts of the general mass, and founded upon prerogative, privilege, perpetuity, and property, that these, taken together, constitute "the people," or the nation*. Thus, in his creed, the natural man, the individual citizen, is annihilated as a constituent element of the nation or the people, and the artificial combination substituted in his place—a principle, the exact opposite of that upon which this Government, with its freedom, stands. And yet, sir, it is upon this principle of Mr. Burke that the discrimination is here sought to be made between the Government and the people. It is here, in the Senate, that the same combinations, orders, banks, and corporations, resting upon the same separate interests, the same privileges and immunities, stand forth claiming to be "*the people*" of this country, and asserting a right to its Government. We can now understand what is meant when gentlemen of Mr. Burke's school speak of "*the people*." We may know that corporations, that banks, not individuals, are intended; we may know that this principle, for proclaiming which Mr. Burke was publicly expelled from the liberal party of England, now lies at the foundation of a party in America.

But to the substitute. What are its features, what its principles? They are few, and by no means novel. It proposes no project yet to be tested by experiment, but one which experiment has already shown to be impracticable. It proposes the former State bank deposit system, in full view of the ruins of that system. Bank notes are again to be received, to be received as equivalent to money, though the very discrimination which constitutes the essence of the substitute, implies that they are not so equivalent. The public treasure is to be placed, for safety, in banks expressly authorized to render it unsafe, by applying it to their own use, as they have done millions still withheld from the Government. Such are the favors proposed as bounties to the banks for the resumption of specie payments—for complying with their obligations—for paying their debts—for ceasing to resist the law; such is the reward to be offered by Government to bribe rebellion back into obedience. And now, sir, I ask, in what will the resumption of specie payments, under the provisions of this substitute, benefit the Government, when, by the substitute itself, the Government solemnly contracts with the banks not to demand specie, but to receive, exclusively, the very notes it now rejects? The Government now refuses to receive them for no other reason than because the banks now refuse to pay them—and yet, the Government is required to receive

them, in future, under an express stipulation that they are not to be paid. For if Government is compelled, by law, to receive notes, good faith, in the execution of the law, forbids their presentation for payment. And thus, instead of inducing resumption, this measure proposes, in effect, to legalize and perpetuate suspension, so far as Government is concerned, and to the full extent of its revenues. That such will be the effect, does any man doubt? Then test the question by extending the principle. Suppose the whole community should make the like contract with the banks; should agree that, for an indefinite series of years, their bills should be received as money, and thus incur the obligation, in good faith, not to present them for redemption. In such a case, would the banks keep a silver dollar on hand? Would they have use for one? And would not the suspension be universal and eternal—and that, too, under the plighted faith of the public? What, sir, is the language of the substitute? It says to the Government—Take the notes of banks; do not present them for payment; express this your confidence in them; the people will follow your example; they will do the same; no specie will then be drawn; the banks can then resume; we shall then have a currency mixed of paper and of metal, and all will go well. But, sir, what resumption? What are the banks to resume the payment of? Who is to ask for payment, and “whence is the metal to come which is to enter into the circulation?” How are these things to be done, if both Government and people are to receive nothing but notes, and never to ask their redemption? No, sir, the only security for the banks themselves, and for the community against bank excesses and impositions, consists in leaving every one, Government and all, free to receive, to reject, or to present their notes at pleasure for payment. This being the fact, there will always exist a modified confidence in the solvency of banks that are solvent, which, whilst it is sufficient to sustain their circulation, will yet be so distrustful as to excite in them the apprehension of a run upon the appearance of any indiscretion on their part, and thus impose all the safeguards of which such institutions admit. To absolute and unqualified confidence, they are not entitled. Human experience forbids such confidence to be bestowed on any man, or combination of men, whose agency is to affect the well being of others. Government itself, the responsibility of all public functionaries, rests upon a degree of distrust in the public mind, sufficient to excite vigilance, and to detect delinquency.

Again, sir, what is the substitute but a covenant with the banks, by which the Government is to give them a credit, indefinite as to time, and limited in amount only by the total of its income? And this credit is to be given to the only species of debtors whose responsibility is always uncertain, whose security is never sufficient, and against whom it is impossible, in the nature of things, ever to enforce the laws of the country. For is it not manifest, from all past and present experience, that these institutions have become so connected with the whole machinery of society, so interwoven with the very texture of our social economy, as to defy the enforcement of legal obligations, and to compel their

creditors, Government, and people, to temporize with and to coax them into compliance with those obligations? Why was the extra session of Congress called? Was it because the Government had no money? No, but because the banks had the money of the Government, and refused to pay it. Was the Government thus arrested in its action, and compelled to resuscitate itself by a forced loan from the people?—was this the case, because it had no revenue, and because there existed no specie in the country? No, but because the banks had possession of its revenues, and because their vaults withheld the specie from all their creditors. And yet, when, where, and by whom were the laws of the land enforced against them? When did the Government, in a single instance, obtain judgment and enforce execution? Who, of all the citizens, resorted to that law against the banks, which the banks were daily enforcing against them, and which they, the people, were daily enforcing against each other? No, sir, not at all; but, on the contrary, this universal rebellion of the banks against all law has been legalized and extended by the law-making power. Thus it is, that the Government is required to loan to the banks the whole revenue of the country; and, in effect, to double this loan, by receiving their notes, in the first instance, as money. It is to such debtors that the Government is required to make such a loan, whilst it refuses to credit an honest citizen, with his homeless family, for one solitary acre of its public domain.

Thus briefly, sir, have I sought to illustrate the principles and tendency of this substitute. It is a measure rendered equally odious by the circumstances under which it is presented, by the assumption on which it rests, and by the consequences which must inevitably result from its adoption. It comes to us in the form of a demand—a demand made as a political right—made by private corporations upon this Government and people, for the use of the public money, and for a mortgage upon the future revenues of the country. It demands, also, that, in addition to this, the Government and the people shall give to these corporations a credit indefinite as to time and amount, and that, too, without an equivalent, without adequate security, and without any necessity for so doing. This demand of objects so important is made at a time when these corporations, having prostrated the laws of the country—having seized the public treasure—having refused to pay their notes in the hands of the people—are now standing out in fearless defiance of all public authority. And what right have the banks to make this demand? Have they a better claim to the public money than an equal number of other individuals who are not incorporated? No, none whatever. What, then, should we think, what should we feel, if, instead of a league of eight hundred banks, eight hundred citizens should band themselves together in battalion form, should surround this Capitol, and, instead of agents, attorneys, borrowers, and dependants, should send their military commander into this chamber, to demand, on their behalf, the whole national income? Would not every Senator then spring to his feet, fired with the rage of insulted honor? Would he not meet such a demand with the deep

est execrations; and would not the whole body of the American people rush to the Capitol to rescue their treasure from pillage, and their Government from usurpation? Yes: and what, sir, is the difference between the two cases? There is none; no circumstance of discrimination, except the popular delusion which transforms the banks from private corporations into political institutions, and invests these associations of mere brokers and shavers with all the authority, the attributes, and the dignity, of organized political departments. It is this delusion, arising from the unrebuked assumptions of the banks, and strengthened by the silent acquiescence of time, that has enabled these incorporated companies thus to change their character in the public estimation.

But, sir, I must again press upon the attention of the Senate the startling fact that this demand of the public money is made by the banks, upon the avowed assumption that the Constitution has provided no sufficient means for the execution of its own powers; that the officers elected under it by the people are not to be trusted; and that the irresponsible agencies of banks, unknown to the Constitution, must be brought in to supersede those officers, to supplant the Constitution itself, and to take charge of a Government which the people are supposed incompetent to administer. Thus we, the representatives of the States and of the people, are insulted to our very faces; for, if the numerous citizens selected to perform the duties of the other departments of Government be unworthy of the public confidence, how shall we escape the same denunciation, or assume to be more worthy than they? But even this outrage, great as it is, might be endured, if it were confined to us, and to the officers of Government alone. Such, however, is not the fact; for this demand, thus made upon the ground that agents selected by the popular voice are unworthy of confidence, is equally an insult to the majesty of the sovereign people themselves. It is a declaration to them that they are incompetent to elect; and that therefore, the elective franchise, so prostituted and abused, is to be withdrawn from them, and conferred upon the banks.

And now, Mr. President, what are the immediate consequences which are to result from the adoption of the substitute? The banks of deposit are to be selected by the joint vote of the two Houses of Congress. Here, then, the banks and the Government are to be united, not only in the exterior administration of the finances, but that union is to begin in the very source of the law-making power. The banks are to enter the Capitol, with their fatal facilities, to canvass against each other, with the members of Congress, for the custody of the national revenue. They are here to canvass for these favors with the very men by whose votes this revenue is to be raised, reduced, or diminished; and, consequently, the profits of the successful banks augmented or lessened. What a scene would this present! Eight hundred moneyed corporations, with five hundred millions of dollars to loan, garrisoned each winter in the Capitol, among their faithful presidents, lawyers, stockholders, and borrowers, canvassing for a majority of the two Houses—canvassing for the deposits, for an increase of taxes, and for

a diminution in the expenditure of those taxes when collected! In such a scene, what would become of legislative purity? what of the rights of the people? What of the public liberty? And which, of all the banks, would succeed in the contest for Congressional favors? Would not the Bank of the United States—the controlling centre of the paper system—she whose friends already throng these halls—she who is already so deeply skilled in political facilities—would she not stand triumphant in our midst? Yes, the same vote which could pass this substitute, would give her the deposits; and thus that institution would again become a National Bank, with all the powers and immunities she before enjoyed, without any of the restraints or responsibilities imposed by a Congressional charter. And here, sir, I shall express it as my deliberate opinion, that every man of the Opposition will sustain this substitute, and that, too, with a view to the very result I have anticipated. Those who desire the concentration of the money power in a National Bank, will ask for none better than the Bank of the United States will become, should this measure be adopted. Nor will that institution desire or accept of a national charter, if it can obtain the public moneys under the less embarrassing charter it now enjoys.

These, sir, are my opinions. The subject of a National Bank will still be urged before the people, but not seriously desired, by the political leaders. They are not the men to pursue visionary forms, to the neglect of substantial realities. Their object is the concentration and union of the money with the political power of the country, and they see in every line of the substitute before us the certain accomplishment of that object.

And now, sir, standing in my place, and in the immediate presence of the American people, I pronounce it as the solemn conviction of my judgment, that this union, should it be effected—the union of the banking or paper system with the Government—will prostrate the liberties of the country; and that this prostration will continue until that in-born love of freedom, the peculiar inheritance of this nation, shall rise to restore those liberties by the only means which despotism cannot withstand. In such a union, in such a compound of the money with the political power, it would be utterly immaterial which of the elements predominated—whether that of the Government, or of the banks. The junction of the two would speedily result in blending both into one; and it is this consolidation, this aggregation, of powers so vast in the same men; it is this which would enable those men to override the liberties of the country. What, then, sir, would be our condition, if the very men who are now struggling to effect this consolidation should succeed, and having succeeded, should, by that very success, place themselves in possession of these powers thus consolidated? Would not the fact of their success, in this effort, be proof conclusive of the dangerous strength of the banking system, which is now their sole support? and would not that strength, united with the powers of Government, enable these men to perpetuate their reign, and to spurn, with impunity, the complaints of a betrayed and ruined people?

How, then, can we adopt a measure fraught with consequences so momentous, so fatal, as these? How can we sit and hear, with patience, a demand thus made of the whole revenues of the Republic—made, as a political right, by private corporations—made upon principles tending infallibly to a revolution of the Government? Shall we sit and hear, unmoved, hear without a becoming spirit of resistance, a proposition so wounding to every sense of patriotism, so plainly destructive of the liberties of the country? Where, Senators, are the souls of your sires? Did you inherit nothing from them but freedom—freedom without the spirit to defend it? Are you thus destitute, and will you betray the only country where abides the only hope to solace the sufferings of mankind? If not, how can you, how dare you support a measure which is to place such a country as this under the vulgar despotism of a moneyed monopoly?