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DUANE

Letters, addressed to the
people of the United States,
in vindication of his conduct.

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LETTERS,

ADDRESSED TO

THE PEOPLE OF THE UNITED STATES,

IN VINDICATION OF HIS CONDUCT,

BY

Wm. J. DUANE,

LATE SECRETARY OF THE TREASURY.

1834.

“ *Eutherus* replied, ‘ I should find it very difficult to submit to be a slave.’
“ ‘ Yet,’ said *Socrates*, ‘ the magistrates in republics, and all that are in employ-
“ ‘ ments, are not therefore reputed slaves : on the contrary they are esteemed
“ ‘ honourable.’ ‘ Be it how it will,’ said *Eutherus*, ‘ I can never bring my mind
“ ‘ to suffer that another man should blame me.’ ‘ And yet,’ said *Socrates*,
“ ‘ you would be very much puzzled to find any one action, whose every cir-
“ ‘ cumstance was exempt from blame. For it is very difficult to be so exact as
“ ‘ not to fail sometimes, and even though we should not have failed, it is hard
“ ‘ to escape the censure of bad judges : And I should very much wonder if in
“ ‘ what you now do, no man should find any thing amiss. What you are, there-
“ ‘ fore, to observe is, to avoid those who make it their business to find fault
“ ‘ without reason, and to have to do with more equitable persons.’ ”

“ *The Memorable Things of Socrates.*”—Book II. p. 85.

TO
THE PEOPLE
OF
THE UNITED STATES.

LETTER I.

FELLOW-CITIZENS ;

WHEN I was rudely thrust from office, on the 23d of September last, I resolved, for the reasons stated in my letter to Governor Tazewell, to rest upon my acts as an officer and my reputation as a man, unless the one should be misrepresented, or the other assailed. And in order that the responsibility of any disclosure of past occurrences should rest upon the President, I notified him, ere I left Washington, on the 27th of September last, that I should hold him accountable for the malconduct of the publisher of his official paper ; and that, as the public reputation usually suffered in conflicts between the chief magistrate and ex-ministers, I would avoid a controversy, and only repel assaults which he should sanction.

So little effect had this suggestion, and so necessary did it appear to the President to prevent sympathy for me, which would be censure upon himself, that the official paper continued, after my retirement to private life, to circulate the most flagitious imputations upon my character : and yet, when the President saw, in a public print, an extract from one of my private letters, published without my consent, and containing nothing but the truth, he affected to be very much offended ; and, instead of directing

a refutation of what I had said, he broke the seals that closed the cabinet and our correspondence, in order to sustain a false and malignant attack upon me on the 19th of November last.

It was necessary to notice this ; but, even on that occasion, I did not become an assailant ; nor did I invite the people to look upon the stage, much less behind the scenes, where their dearest rights and interests are sported with by incognito performers. On the contrary, I merely published a brief defensive address, so little indicative of resentment, that it was pronounced, even by dispassionate men, as reprehensibly mild.

Several grave questions, connected with my case, have long been discussed, not only in congress, but throughout the country. The instructions given to the President's agent for making inquiries as to state banks, are before the senate of the United States; and in my own defence, I ought to give some explanation respecting them. Doubts have been expressed on the floor of that body, whether there had been due foresight and warning as to the evils that now exist ; and it is due to myself at least, that I should show, that in this respect, as well as in others, I did my duty. In September last, the President appealed to the people, by publishing his reasons for directing a removal of the public deposits ; and as soon as congress assembled, my successor in the treasury department presented a statement in relation to his agency in removing them. It seems, therefore, to be a duty to myself, if not to the public, to present, in detail, my reasons for resisting the President ; and, at least his friends cannot complain of my appealing to the people, since in doing so I barely imitate his own example.

If I had heretofore felt any doubts of the propriety of addressing you, they would be now removed. My correspondence and conversations with the President were again misrepresented in his official paper of the 7th instant ; and, at the same time vile aspersions, palpably sanctioned by him, were again cast upon my reputation. So that, even if no obligation of a public nature required some explanation now, it is demanded and justified by this new display of vindictiveness.

Under ordinary circumstances some of my fellow-citizens might, perhaps with propriety, censure any exhibition of documents, or exposition of facts on my part ; but, I trust, that they will now reflect, that it is in self defence I resort to the course pursued by the President himself ; and that I have preserved

silence for nearly five months, amidst invitations and even taunts on one side, and a slanderous persecution on the other.

Without saying, therefore, at the outset, how far I may go, I consider myself released from all impediments, but those, which a sense of duty to the public and respect for myself may impose.

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Although personally unacquainted with General Jackson until 1829, I ardently supported him as a candidate for the Presidency as early as 1823. I thought that his country owed him a large debt of gratitude; that it would be useful to our institutions, to have in the executive chair a person unaccustomed to intrigues, but too prevalent at the seat of government; and that he, who had given such sound advice to Mr. Monroe, whilst President, would never contradict in practice himself, what he had then declared to be the only patriotic and honourable course of the chief magistrate of a free and enlightened people.

In 1828, I renewed my exertions in his favour, at no little sacrifice of personal friendship and pecuniary interest, and, when he was successful, I heartily rejoiced; but, I confess, that as soon as I saw some former professions contradicted by subsequent practice, I felt sincere regret. I respected the President's intentions, and flattered myself that he would return to the path, from which he might have incautiously wandered. I was not, however, a partisan; General Jackson, now in power, did not need aid from me. Men, who had stood in the ranks of his opponents when I advocated him, passed over to his side when he won "the spoils of victory," and got no inconsiderable portion of them. As to myself personally, I desired to partake of the fruits of the triumph, only as a member of the great family of the people.

It was not to be expected, that I should cease to support the general course of the President, because he erred, as I believed, in various instances; much less, that I should cease to be a member of a party, to which I had always belonged, because its favourite had not redeemed all his pledges. Accordingly, I sustained such of his measures as were consistent with the fundamental principles of the old republican party; and, without considering who advocated, I censured such as were at variance with them. And as on the subject of the Bank of the United States more than on any other, I have been grossly slandered, with the sanction of the P'e-

sident, I will add, that I have invariably opposed that institution, and still do so. Whether wisely or not, I adhere to the doctrine of the Virginia school as to a national bank; and it is quite as arbitrary to condemn my independent exercise of judgment on this point, as it was in the President to expect me to change at will my convictions in relation to the public deposits, or to accept his reasons for doing an act, which my own judgment condemned.

Whilst alluding to this subject, I will take occasion to repel the vile imputations of the official paper, in relation to my motives for resisting a removal of the deposits. Under the President's sanction, it has been insinuated, that my course was dictated by a corrupt understanding with the Bank of the United States; and, in the official paper of the 15th instant, I am even called "the emissary of the bank."

Without any desire for office on my part, I had been called to a high station. The selection was generally approved of; and yet in less than four months, I was contumeliously removed. To excuse this act of outrage, became a matter of much consequence. Sympathy for me would be condemnation of my oppressor; and, therefore, the official paper sought to infuse into the public mind suspicions as to my purity—suspicions, which found a ready reception on the part of men, who, being base themselves, naturally supposed, that I could not have made a sacrifice of office under the public, without an equivalent elsewhere.

In the community of which I am a member, there are many devoted friends of the President who disagree with me; but I think, there is not one, who believes the insinuations of the official paper to have any foundation. So far, therefore, as my immediate fellow-citizens are concerned, I might with propriety treat these derogatory imputations with silent contempt. But, beyond this community I am not generally known, and hence it may be expected by my fellow-citizens at large, that I should notice them; and I feel the less disinclination to do so, since distinguished senators have condescended in their places to repel similar imputations. Accordingly, I pronounce each and every assertion or insinuation of the official paper, imputing corrupt or improper motives to me for resisting a removal of the deposits, to be false, foul, and malignant. Further, I aver, that there is not even a colourable pretext or apology for any of the imputations cast upon me. I have never, directly or indirectly, received, nor have I ever had the promise or expectation of re-

ceiving, any loan, fee, gift, benefit, favour, consideration, or other advantage whatsoever from the Bank of the United States, or from any of its officers. I have never been presently nor contingently responsible to it, nor to any of its officers. I have had no direct or indirect correspondence or communication with the bank, nor with any officer thereof, with the exception of letters on file in the treasury department, and with the exception also of a single letter, received from the president of the bank, enclosing to me, as a friend of the late Mr. Girard, his oration on the occasion of laying the corner stone of the Girard College, on the 4th of July last; to which letter I merely gave such a reply as courtesy calls for on like occasions. Far from desiring to favour the bank, I have at all proper times avowed and maintained my opposition to it. And, if any words can express more fully and emphatically my absolute freedom from all design to favour the bank, I desire that they may be considered as used. I believed that the bank was entitled to the deposits according to solemn contract; I believed that it had a right to them, unless the secretary of the treasury could give satisfactory reasons to congress for removing them. As secretary of the treasury I could not give reasons satisfactory to myself. I believed that the act of removing the deposits would be unnecessary, unwise, vindictive, arbitrary, and unjust; and although opposed to the bank, I would not consent to be made an instrument to effect any such scheme, as that which was proposed. Therefore, laying aside, as I was bound to do, my personal prepossessions as a man, I acted solely from considerations, which I dared not to disregard as an officer.

It must be manifest, from the conduct of the President, that it would give him pleasure, if he could exhibit a shadow of proof of the charges of corruption insinuated against me. I accordingly invite and defy him, and all those who may desire to gratify his vindictiveness, or their own passions, to point out any act on my part, which can sustain the infamous imputations of collusion, corrupt understanding, or even concert of action in the slightest particular, with the United States Bank.

W. J. DUANE.

February 17, 1834.

LETTER II.

FELLOW-CITIZENS ;

IN my first letter, I apologized for appearing before you, showed that I had been the early and steadfast friend of General Jackson, pointed out the motive for the persecution directed against me which he now sanctions, and defied him and his adherents to prove any of their foul imputations.

Even when oppressed in September last, it will be seen, on reference to my letters of the 21st of that month, heretofore published, that I did not attribute the conduct of the President to any malignant motive. I then considered him the mere instrument of men around him who were unworthy of his confidence ; and believed that he had become the executioner of their vengeance against all who checked their rapacity. But I confess, that, whilst I still believe the President to be ruled by extraneous influences operating on his passions, it is difficult charitably to account for his silence, whilst before his eyes acts are deliberately executed, which are at variance with truth, justice, and charity.

What can be a more serious charge, than to say, that, under the mask of friendship, I entered the cabinet to thwart the President, and favour an institution, which I professed to oppose ? Yet serious as this imputation is, it is sanctioned by the chief magistrate ! It is sanctioned in opposition to all facts, nay, in contradiction to his declarations made to me in writing as well as personally, up to the last moments of our separation !

To sustain so grave a charge, proof should have been given ; but all that is said to sustain it is, that I resisted the removal of the deposits, and that, in a letter, published at New Orleans, I expressed such sentiments, as showed that I had been " indoctrinated with all the hostility of the bank opposition." My reasons for resisting the removal of the deposits will be given in a future letter, when the public will be able to judge how far that resistance sustains the vile imputation which I am now considering. At present I shall refer to the second pretext only for this calumny.

To a letter from a friend at New Orleans, I wrote a reply in October last, which I regretted to see published without my con-

sent. From that reply the official paper of the 20th of December last made this quotation :

“It is but too obvious, either that we misunderstood the qualities of General Jackson’s head, or else he has been wonderfully altered. On all the cardinal questions agitated, he has failed to be consistent: he promised purity in selections for office, yet few have been purely made: he professed to be a friend to domestic industry, yet he has done more than any body else to prostrate it: he advocated a national government bank, and yet affects to dread a monied aristocracy: he complained of the corruption of one bank, and yet takes forty or fifty irresponsible paper-circulating banks under the national wing: he has been for, and against, internal improvement: he denounced nullification, yet he has been of late unsaying all that he had said in his proclamation. In short, I do not believe, he ever had fixed principles, or ever arrived at any result by the exercise of the mind; *impulses and passions have ruled.*”

The sketch here presented was drawn after my retirement to private life, and consequently after I had availed myself of an opportunity, not before enjoyed, of closely examining the original. When I became one of the President’s advisers, it was my duty to study his moral and intellectual qualities, as well as his political principles and views; and to this end, I exerted such powers of discrimination as I possessed. The result was a conviction, either that, in the portraits which I had drawn, to gain popular approbation, in 1823 and 1828, I had flattered General Jackson, owing to my having had before me outlines only, taken by his intimate friends; or else that his features had been of late greatly altered under the influence of pride and power. I naturally stated, in a private letter to a friend, the result of my observations, especially as that friend like myself had been originally a great admirer of General Jackson; and I am sure, it grieved him to hear, as it did me to have occasion to communicate, what contradicted so many of our fond anticipations.

The prominent characteristics of General Jackson, according to my representations in 1823 and 1828, were purity of purpose, and steadiness in execution. But, in 1833, I became satisfied, that his principles, even on cardinal points, were not fixed; that purposes were created for him, the true nature of which was concealed by artful management; and that, in carrying them into execution, impulse and passion impressed a character of obstinacy on

his conduct, which, under the exercise of the mind, would have been steadiness in execution.

It is true, that, before my entrance into office, I was aware that the President had been imposed upon in relation to some appointments. I also knew that he had been unsteady in his course as to domestic industry, internal improvement, and a national bank. But, what was my duty, when the President invited me, as his friend, to become one of his advisers? If I could reconcile the acceptance of office with the doubts which I felt as to my ability, and with private obligations, I considered it my duty to do so, in the hope that I might render some service, by striving to reconcile his practice with former profession; by trying to persuade him to abandon a vacillating course as to manufactures, since nothing could be more pernicious to this interest than uncertainty in legislation; and by urging him to adhere to a strict interpretation of the constitution, instead of wandering in the mazes of construction, in relation to the United States Bank, or other disputed subjects.

Such are the remarks which I consider myself called upon to make, in relation to one of the pretexts for the aspersion, that I entered the President's cabinet to thwart him. But, lest any doubt should exist on your minds as to my disinterestedness or to the manner in which the appointment of secretary of the treasury was conferred on me, I think it proper to make you acquainted with the following details bearing on these points.

Although I never directly or indirectly asked any personal favour from the President, I do him the justice to say, that he manifested desire on several occasions to promote what he doubtless considered my advancement. With the advice and consent of the senate, he appointed me a director of the Bank of the United States, but I declined the trust. He afterwards tendered me the office of attorney for the eastern district of Pennsylvania, which I also refused. Without my knowledge, he appointed me, with the concurrence of the senate, a commissioner under the convention with Denmark; and, when I hesitated to accept, he pressed the trust upon me, on the ground that my acceptance would be a duty to the public, and a relief to himself from embarrassment.

Before I had executed the duty under the convention with Denmark, I was, on the 4th December 1832, unexpectedly invited to accept the office of secretary of the treasury. And lest any representation of the circumstances, attending the offer,

should be open to cavil on that account, I shall not trust to my memory, but present the following statement extracted from a confidential letter, which I wrote on the 5th of December 1832.

EXTRACTS. "The President has in a formal, kind, and pressing manner asked me to accept a seat in his cabinet. I confess, I was surprised, and not only surprised but distressed; but it is best, whilst the incidents are all fresh in my memory, that I should give you a sketch. A member of the cabinet said—'Mr. Duane, I have been particularly desired by the President to seek this interview with you, on matters of much consequence, not only to himself, but to the country. The President has for some time past meditated a change in his cabinet: it has been deferred until after the termination of the elections in the states; and, as they are now over, the proposed change is urged anew. The present secretary of state is to go to France; the present secretary of the treasury is to take his place in the department of state; and the question is, who is to go into the treasury? It is settled, that a citizen of Pennsylvania is to be appointed; the President and his friends have sought in that state for a person in all respects competent as an officer, and faithful as a friend. A list of names has been looked at, and, after due inquiry, the President is decidedly convinced, that you, Sir, present the fairest claims to official and personal consideration. You are of the old democratic party of Pennsylvania, and have grown with its growth; you are known as a mild but unvarying friend of the great political principles, which Pennsylvania cherishes. Your personal reputation, too, gives you a moral influence, of the extent of which you are not perhaps yourself aware; you were the early, and have been the steadfast friend of General Jackson, and should continue in every proper way to sustain him whom you contributed to elevate. So satisfied, indeed, is the President, of your peculiar fitness for the department, and of your being just such a person as he can politically as well as personally rely upon, that I cannot use too strong terms, in describing his solicitude that you should not refuse the station.'

"This is more brief than the reality, but perfectly correct. I replied—'I have listened, Sir, to what you have stated, with surprise, and distress; so that it cannot be supposed that I can give a positive reply. I cannot express how gratified and proud I am at this mark of confidence. If, however, I am now to give utterance to what I feel, it is to ask the President to blot this

matter from his mind. It is true that I have been and am sincerely friendly to the President; that I possess the personal and political confidence of many worthy men in Pennsylvania; and that I have a strong inclination to do all in my power to evince my principles and promote the welfare of the people. But it is also true, that my abilities are over-rated; that my influence in Pennsylvania is more limited than is supposed, and that no weight can be given, by my accession, to the administration. Such an occasion as the present cannot be heedlessly regarded by me, but all considerations united forbid me to assent. I have through life sought the shade, and whenever I have been out of it, it has not been from choice. I have always desired to tread on the earth, lest in ascending even a single step of the political ladder, I should be obliged to resume my former place. Perhaps this is morbid pride, but be it what it may, it has a powerful influence over me.'

“To this it was rejoined,—‘all you have said, Mr. Duane, shows you have the merit, you deny yourself the possession of. You have, by declining office on several occasions, omitted to advance yourself. I am the President’s friend and yours, and am not the man to advocate any thing of a doubtful nature, by which the public may be affected. Others are more competent perhaps to judge of your qualifications than you are yourself. Heretofore there have been difficulties; there may be some at this time, owing to excitement in the South; but that will soon cease, and in a few months you will be perfectly *au fait* as to all general duties. As to your standing in Pennsylvania, we have information to be relied on; we believe your appointment would be pleasing there, and the President desires to do what will gratify that state. Apart from other considerations, the President’s own spontaneous preference of you is a compliment not to be overlooked; you will derive credit from it, where you are not known, amongst all who respect the patriotism and pure intentions, as well as the natural sagacity of the President. I am persuaded that the appointment would be acceptable to many of the President’s most distinguished friends. Indeed, the fact that he goes to the people, and not to congress, to select, will give weight to the choice. You will earn a high reputation in the office proposed; and the labours will be less burdensome than those to which you have been accustomed,’ &c.

“I then said ‘that to tear up, as it were, by the roots, my

business in Philadelphia, on the uncertainty, or even certainty of continuing in office here for four years, would be very imprudent; that changes of residence, associations, and expenditure, were sound objections; that friends to me ought not to urge a proceeding of so doubtful a character,' &c.

“To this it was replied—‘that every man owed something to his country; that even on the question of mere interest, the change would be advantageous; that I might be certain of employment for four years, at six thousand dollars per year; that the mode of living was that of a private gentleman in Philadelphia; that by identifying myself with General Jackson and his friends, and making a sacrifice, if it was one, I established a claim for continuance in this, or appointment to some other station.’

“I closed by saying ‘that, out of thankfulness and a desire to make a return for such confidence, my heart urged me to say “yes,” but my head by no means assented; that it would be rude as well as unkind to the President to decide at once, and upon so sudden an appeal on so serious a subject; and that, therefore, I would reflect.’”

Such, fellow-citizens, is a brief but faithful representation of the manner, in which I was invited to enter the cabinet. My disinclination to take office as above expressed, remained unaltered. Valued friends, whom I consulted, exerted themselves to induce me to serve; and, when I was called upon for a decision on the 30th of January 1833, I reluctantly consented. When my consent was given, the President, on the 1st of February, caused his satisfaction to be expressed at my determination, and his “wishes that it might confer a lasting benefit upon the country and myself.” When I saw him in March, he reiterated what had been before communicated to me, assuring me that he had himself selected my name from the list before him. This declaration he also made to several of our mutual friends, whom I might name if needful, and who, I doubt not, when they see this letter, will be mortified to find, that there should have arisen the least necessity to sustain what never should have been brought in question. But if any thing further is necessary to prove that the President spontaneously selected me, I refer to his own letter to me of the 17th of July last, in which he avows the fact, and gives, amongst other reasons, for the selection, his desire to elevate a name, which, although in an humble sphere, had earned reputation in the eyes of the people.

Yet, in utter disregard of all these facts, the President had the hardihood to assert, in his official paper of the 20th of December last, that I "palmed myself or was palmed upon him."

W. J. DUANE.

February 19, 1834.

LETTER III.

FELLOW-CITIZENS;

IN my preceding letter, I have shown, that the President spontaneously elevated me to the station from which I was so soon afterwards removed; and that far from taking office to thwart him, I sought to remain in the shade of private life. I have also shown, that, rather than not gratify his vindictive feelings against me, he is even content to be considered a dupe; for he says that I palmed myself, or was palmed upon him. It must be evident, however, that if any one was imposed upon, I was that person. I do not aver that I was imposed upon, much less have I a suspicion, that the member of the cabinet, referred to in my last letter, did not state the reasons of the President for selecting me, of which he had knowledge. Amongst those reasons, the views or wishes of the President in relation to the United States Bank were not enumerated; nor was the subject ever referred to in the letters or conversations, that passed between the member of the cabinet and myself. In the official paper of the 19th November last, however, it was avowed, that the President selected me because he supposed I accorded with his views in relation to the bank. So that the main motive for my selection, was not before stated. I do not say, that the President concealed his views, until after my entrance into office, in order to render my accordance more certain, after I had made so serious a change as that from private to public life; I do not believe that he did; but I have much more reason to presume, that such was the case, than the President has to suspect, that I entered into office on purpose to thwart him.

Were I fully to admit, what the official paper alleges, that I knew that the removal of the deposits was agitated; that would not affect the question between the President and me. If he had asked my opinion, I would have concurred in the course, which he was pursuing in December, 1832, namely, an appeal to con-

gress. It was the same course which I advocated whilst I was in office, and which I offered to pursue myself. I could have had no suspicion, however, that the President intended to abandon in future the very course which he had himself sanctioned. All antecedent public acts, even the respect I then entertained for him, forbade me to suppose, that he meant to anticipate the action of congress, evade the judiciary, and trample on the law itself. Thus, 1. In his veto message, he left the subject of the United States Bank to the congress of 1833-4. 2. When, during the last congress, he doubted the safety of the public deposits in the United States Bank, instead of taking upon himself the responsibility of their removal, he appealed to congress. 3. His personal and political friend was appointed to inquire into the condition of the bank, and on his report, the representatives of the people, by a vote of 109 to 46, directed the public money to be retained, where the law had placed it. 4. It is fair to infer that the President himself was satisfied with this decision; for he soon after approved of an act of congress, authorising the secretary of the treasury to lend to the United States Bank, or upon its stock, several millions of dollars, trust money receivable from France, for American citizens having claims upon that country.

Had I intuitive or prophetic skill? Because banks and speculators continued to agitate the deposit question, notwithstanding the decision of congress, was I to suppose, that the President would become their prey? Could I suspect, that they would be able to persuade him to consider congress corruptible, and the judiciary already contaminated? Is it credible that I, who sought to avoid office altogether, wilfully placed myself in such a position, that my removal by the President for disobeying, or my rejection by the senate for obeying, him, would have been inevitable?

When he thought proper to ask the written opinions of the members of the cabinet, upon whom no responsibility would rest; was it not due to me, then shortly to enter his cabinet, that he should have frankly informed me that the removal of the deposits, before the meeting of the next congress, was definitively fixed upon, and that I should be expected to do the act? Nevertheless, I had no sort of intimation that the opinions of the members of the cabinet had been asked, or that, whether I approved of it or not, the task of removing the deposits would be imposed upon me without inquiry by congress.

When I entered upon my official duties, and found, much to my surprise, that the measure was determined upon, and that I would be expected to carry it into execution, my charitable conclusion was, that, as I really accorded with the President in opposing the United States Bank, he had no doubt of my readiness to act on this point with him. He fancied, perhaps, that my hostility was so unqualified, that I would be willing to assail that institution after the manner of Indian warfare, and it was on this point that all our difficulties arose.

When I went into office, I supposed that I was to be the agent of the country, and not the mere instrument of the Chief Magistrate. I contemplated some changes which I hoped would be beneficial to the country, and felt indignant when I found that measures were to be pressed upon me, useful only to those who prey upon its vitals; an indignation, which, I confess, was increased by the circumstance, that the duty prepared for me was announced, not by those who had been selected by the President as most worthy to be his constitutional advisers, but by irresponsible persons, who possessed the confidence, if not the places, properly belonging to them.

..... I wish that it may be here borne in mind, that, notwithstanding the occurrences connected with my removal from office, I actually desired to avoid even complaint. I regarded the President as the victim of unworthy influences and unhappy passions; and therefore, as well as on the public account, I was desirous of preventing any angry public discussion, or any exhibition of my official relations with the President. To this end I wrote a letter to the President's secretary, on the 27th of September, complaining of the course of the official paper in relation to me. In this letter, I say, "I do not deprecate such a course for my own sake; if it is desirable that our relations should be placed before the public eye, I am ready. But it seems to me that, in such conflicts, the public reputation suffers, and that injury and insult have been administered to me in such quantity as to demand no further aid of that kind," &c. Notwithstanding this appeal, it will be found, on reference to the file of the official paper, that vile insinuations were subsequently made respecting my motives for resisting the President. Yet out of respect for our institutions I forbore to repel imputations upon my character for nearly five months; and if I shall now mention any facts, which, under ordinary circumstances, it might be improper

to state, I hope it will be remembered, that I do so, not under the influence of resentment, but in self-defence. Parts of my correspondence and conversations have been used, in order to infuse foul suspicions respecting me; and I now barely show that I am not the only accused or suspected person; but that I share the fate of all who will not sacrifice their principles, not at the feet of the President, but at those of men who govern the country through the instrumentality of his passions and prejudices.

..... My commission bore the date of May 29, 1833, and on the 30th I reached Washington. After waiting upon the President, on the next day, I went to the treasury department, and took the oath of office on the 1st of June. On the evening of that day, Mr. Reuben M. Whitney called upon me at my lodgings, at the desire, as he said, of the President, to make known to me what had been done, and what was contemplated, in relation to the United States Bank. He stated, that the President had concluded to take upon himself the responsibility of directing the secretary of the treasury to remove the public deposits from that bank, and to transfer them to state banks; that he had asked the members of the cabinet to give him their opinions on the subject; that the President had said, "Mr. Taney and Mr. Barry had come out like men for the removal;" that Mr. M'Lane had given a long opinion against it; that Mr. Cass was supposed to be against it, but had given no written opinion; and that Mr. Woodbury* had given an opinion which was "yes" and "no;" that the President would make the act his own by addressing a paper or order to the secretary of the treasury; that Mr. Amos Kendall, who was high in the President's confidence, was now preparing that paper; that there had been delay owing to the affair at Alexandria; but, no doubt, the President would soon speak to me on the subject; that the paper referred to, would be put forth as the Proclamation had been, and would be made a rallying point; that he (Mr. Whitney) had, at the desire of the President, drawn up a memoir or exposition, showing that the measure might be safely adopted, and that the state banks would be fully adequate to all the purposes of government. He then read the exposition to me, and as I desired to understand matters so important and so singularly presented, I asked him to

* It is due to this gentleman to state, that I subsequently learned, he was opposed to a removal prior to July, 1834, and was for only a gradual change afterwards.

leave the paper with me, which he accordingly did. He also read to me divers letters from individuals connected with state banks. The drift of his further observations was to satisfy me that the executive arm alone could be relied on to prevent a renewal of the United States Bank charter.

The communication thus made to me created surprise and mortification. I was surprised at the position of affairs which it revealed, and mortified at the low estimate which had been formed of the independence of my character. I listened, however, respectfully to one who gave such evidence of the confidence reposed in him, and awaited the explanation which he intimated the President would give.

Soon after this interview I took occasion to express my mortification at my position, to the member of the cabinet, who had represented the President in asking me to accept office.

On the next evening (Sunday) Mr. Whitney again called on me in company with a stranger, whom he introduced as Mr. Amos Kendall, a gentleman in the President's confidence, who would give me any further explanations that I might desire, as to what was meditated in relation to the United States Bank, and who then called on me because he was about to proceed forthwith to Baltimore. I did not invite nor check communication. Very little was said, and perhaps because I could not wholly conceal my mortification at an attempt, apparently made with the sanction of the President, to reduce me to a mere cypher in the administration.

The next morning, June 3d, I waited upon the President, and, as I had been apprized by Mr. Whitney would be the case, he soon introduced the subject of the bank. I stated that Mr. Whitney had made known to me what had been done, and what was intended, and had intimated that his communication was made at the President's desire. The President replied, in a tone of dissatisfaction, that it was true he had conferred with Mr. Whitney, and obtained information from him as to the bank, but that he did not make him his confidant, nor had he told him to call on me. I enumerated the representations which Mr. Whitney had made, and their correctness was admitted. I said I feared that I should not be able to see the subject in the light in which the President viewed it; to which he remarked that he liked frankness, that my predecessor and himself had sometimes differed in opinion, but it had made no difference in feeling, and should not in my

case ; that the matter under consideration was of vast consequence to the country ; that unless the bank was broken down, it would break us down ; that if the last congress had remained a week longer in session, two-thirds would have been secured for the bank by corrupt means ; and that the like result might be apprehended at the next congress ; that such a state bank agency must be put in operation, before the meeting of congress, as would show that the United States Bank was not necessary, and thus some members would have no excuse for voting for it. My suggestions as to an inquiry by congress, as in December, 1832, or a recourse to the judiciary, the President repelled, saying it would be idle to rely upon either ; referring, as to the judiciary, to decisions already made, as indications of what would be the effect of an appeal to them in future. After mentioning, that he would speak to me again, before he departed for the eastward, he said he meant to take the *opinions* of the members of the cabinet with him, but would send them to me from New York, together with his *views*, and would expect me, on his return, to give him my sentiments frankly and fully.

On the 5th of June, I had a brief conversation with the President, in the course of which, as at all other times, I do him the justice to say, he emphatically declared that his views were altogether public spirited. He concluded by saying, "remember, I do not wish any body to conceal his sentiments ; I give you my views, you give yours ; all I ask is that you will reflect with a view to the public good."

The President left Washington on the 6th of June. During his absence, further circumstances came to my knowledge, which induced me to believe, that the removal of the deposits was not advocated with any view to public utility, but urged to accomplish selfish, if not factious purposes. I sought no intercourse with those, who, I felt satisfied, had an undue influence over the President, at least in relation to the grave questions connected with the removal of the deposits. Whenever any of them called on me, there was no hesitation in urging me to accord in the proposed measure. It was contended that the removal of the deposits would be made a rallying point at the opening of congress, or a flag up for the new members. Whenever I urged a recourse, in the first instance, to congress, or the judiciary, such a step was scouted, and delay represented as hazardous.

I had heard rumours of the existence of an influence at Washington, unknown to the constitution. The conviction, that such an influence existed, at least in relation to the matters then pressed upon me, was irresistible. I knew that four of the six members of the cabinet, before I became a member of it, had been opposed to any present action in relation to the deposits; and I also knew that four of the six members of the existing cabinet entertained the same views. I felt satisfied, not only that the President was not in the hands of his constitutional advisers; but that their advice was successfully resisted by persons, whose views I considered at variance with the public interest, and the President's fame.

Such were my impressions, when, on the 1st of July, I received a letter from the President, dated "Boston, June 26th, 1833," together with his *views*, and the *opinions* of four of the members of the cabinet, voluminous papers, in the examination of which I was engaged when the President unexpectedly returned to Washington on the 4th of July.

In the *views* given by the President, he expressed his opinion, that the secretary of the treasury would be wisely exercising the discretion conferred upon him by law, by directing the deposits to be made in the state banks, from and after the 15th of September, if arrangements to be made with them should be then completed.

In his letter, he stated that the only difficulty he for some time had, was as to the time when the change should commence; that he thought the time should be from the 1st to the 15th of September; that an agent should be sent to consult with state banks upon the practicability of an arrangement such as the President then proceeded to detail; but that he did not contemplate a removal of funds deposited, unless when wanted for public purposes. The letter closed with this emphatic assurance:—

"In making to you, my dear sir, this frank and explicit avowal of my opinions and feelings, it is not my intention to interfere with the independent exercise of the discretion committed to you by law over the subject. I have thought it however due to you, under the circumstances, to place before you, with this restriction, my sentiments upon the subject; to the end that you may, on my responsibility, allow them to enter into your decision upon the subject, and into any future exposition of it, so far as you may deem it proper."

Prior to the reception of these communications, I had felt embarrassment, not only in relation to the general subject, but as to constitutional and legal questions. I was in doubt as to the view which the President would take of the 16th section of the law, chartering the United States Bank, which gave the discretion, as to the deposits, to the secretary of the treasury. When, however, I read the above passage in his letter, my anxiety was in a great measure, if not wholly, removed. If it meant any thing, I concluded, that the President now confirmed, what the law had already declared, that the secretary of the treasury had the exclusive right to exercise that discretion independently of the President; and that in thus writing to me, he had pledged himself not to interfere beyond the expression of his own opinions, and the employment of argument to have an influence upon mine. Reflecting, however, upon the means that might be used to induce the President to disregard this pledge, I considered it my duty to comply strictly with his direction, *to give him my sentiments frankly and fully*; and these you will find in my next letter.

W. J. DUANE.

Philadelphia, February 22, 1834.

LETTER IV.

FELLOW-CITIZENS;

IN my last letter I related some of the incidents, which occurred immediately after my entrance into office. Those incidents will have shown you, that the true nature of the service required of me was to employ a conservative power to effect penal ends, and to evade legislative or judicial action in relation to the United States Bank.

Believing as I did, that the President really thought that the prostration of the United States Bank would be another victory, of which he might be proud, and that he was stimulated to consider any means justifiable to attain that end; I resolved to interpose, if I could, between him and those who were impelling him in his rash career. I was especially anxious to disabuse him as to the legislature and the judiciary; and, therefore, in writing the following letter, endeavoured to meet his oral declarations, as well as written arguments.

In my defence I now submit this letter to you. Is it such a letter as "an emissary of the bank" would have written? Does it indicate hostility to the President; or a desire to remain in office to thwart him? Could any friend struggle more anxiously than I did to snatch him from the brink of a precipice? Instead of considering my resistance favourable to the bank, I felt satisfied that the President's course would aid it.

Under these impressions, as an act of duty to the country as well as to the President, and, I confess, dissatisfied with the part I was expected to play, I wrote the following letter.

Respectfully, yours,

W. J. DUANE.

February 25, 1834.

"Treasury Department, July 10, 1833.

"SIR—

I. On the first of the present month, the undersigned had the honour to receive the letter, which the President addressed to him, from Boston, on the 26th ultimo, transmitting a detailed statement of his views "upon the subject of a discontinuance of the government deposits in the Bank of the United States, and the substitution of certain state banks, as the fiscal agents of the United States, so far as those duties are now performed by that institution."

If, when, early in December last, the desire of the President that the undersigned should assume the station, which he now holds, was communicated to him, it had been intimated, that a cessation to deposite the public moneys in the Bank of the United States, without any legislation upon the subject, was to constitute a part of the executive policy, and that the undersigned would be called upon to carry the measure into effect upon his own responsibility, it would have been in his power to consider, whether he ought to enter into office or not; and he would not have been compelled, as he now is, either to incur the censure of congress, or to commence his service by acting in opposition to the President's wishes. But, as no intimation of any kind was given, and as the undersigned was thus to come into office, in a manner as honourable to the President's liberality, as it was flattering to his own pride, he accepted the proffered honour, but still not without reluctance, resolved to perform his duty so faithfully as

to merit public confidence, justify the President's choice, and preserve that invaluable treasure, his own self-respect.

If, when, on the 30th of January last, the undersigned consented to serve, and before he had entered on the duties of his station, he had known that a change of the depository of the public money, notwithstanding the decision of the house of representatives, was a part of the President's policy, and very anxiously discussed in the cabinet, it would still have been his pleasure, as well as duty, to consider the questions involved, carefully. But, although late in the month of March, the President intimated, that he was agitating the subject himself, the undersigned had no conception, that it was with a view to any proceeding prior to the meeting of the new congress.

It was not, indeed, until the evening of the day, or of the day after, the undersigned entered into office, that he was informed, that a change, of the depository of the public money, had been the subject of cabinet discussion, and that upon the undersigned would rest the responsibility.

It will not surprise the President, therefore, to learn the sentiments of the undersigned now for the first time ; nor that he may fail to present such an exposition of his views, as, under different circumstances, he would at least have attempted to prepare. Subsequently to the 1st of June, the President was so good as to say, that he would send to the undersigned, the opinions of the members of his cabinet, with his own views, to be deliberately reflected upon, with a view to a frank declaration of the opinions of the undersigned to the President, on his return from his eastern tour. Those documents were received on the 1st instant, and the President returned on the 4th ; so that the brevity of the interval, and other circumstances interfering, will, he trusts, be regarded as adequate apologies for imperfection. Whilst, however, he regrets the imperfection, he is consoled with the knowledge, that he is but a gleaner in the field of inquiry, after officers, superior to the undersigned in all the advantages of experience, and with whom he will not assert an equality, except in purity of purpose, and in regard for the chief magistrate, who has made him their associate.

II. In the conclusion of the President's letter, he has the goodness to say, that, whilst he frankly avows his own opinions, and feelings, he does not intend to interfere with the independent exercise of the discretion, committed to the undersigned by law,

over the subject; and that the undersigned may adopt, on the President's responsibility, the sentiments expressed by him, in his letter, as the basis in part of his own decision. The undersigned, therefore, concludes, that he has not received the direction of the chief magistrate, to perform an act of executive duty; but that the President believes, that congress had a right to direct, and hold responsible, an executive agent. And, accordingly, without expressing a doubt on that point, that might be thought presumptuous, the undersigned will decide on his responsibility to congress, and that decision shall be the same, as if he had received an executive order. This, however, will not, for a moment, be regarded by the President as indicative of the least abbreviation of the respect and attachment, which, on many accounts, he entertains for the President. The expression is used, in order to evince the perfect sincerity of the undersigned in the matter referred to him; it is used, in order to make known to the President, that, however grateful to him the undersigned may be, and however unwilling to incur the risk of separating from him so soon, a separation so likely to expose the undersigned to the shafts of envy or of malice, if such exist, such considerations are overcome by a sense of the high duties imposed on him as a public agent.

It is not more consistent with the principles of the undersigned to pay a homage to the President, than it would be the desire of the President to receive it; but since it is so soon his fate to differ in opinion from the President, the undersigned boldly says, that no one could have been called to the station, now filled by him, who could have had a more anxious desire than the undersigned had, to render the evening of the President's life as tranquil, as its noon had been glorious. It is very painful to him, therefore, to be obliged to decline to adopt the course described in the President's letter. He has the consolation, however, that the very opposition establishes a claim to the President's respect, and is a sure guarantee of sincerity.

Trusting, therefore, to that magnanimity, on the part of the President, which is inseparable from the purity of his own intentions, the undersigned will frankly state some of the reasons, that have drawn him to the conclusion, at which he has arrived. In doing so, he will present the results of brief, but anxious, reflection, and incidentally such observations as a perusal of the President's letter demands.

III. With regard to the Bank of the United States, even if the undersigned did not consider it unauthorized by the constitution, he avows his deliberate and unbiassed belief, that the renewal of its charter would be inconsistent, with the duration of the happiness and liberties of the people. These sentiments are not formed as a potter moulds his clay, to suit the fashion of the times, or the order of a customer; they are not the sentiments of a man, who has a latent grief to assuage, or an injury to avenge; they are the opinions of an individual, who, although bowing to the law, as every good citizen should do, and respecting the opinions of others, has never omitted a fair occasion to utter his dispassionate belief, in opposition not only to the present, and to the former Bank of the United States, but to all such monopolies.

Without any desire, therefore, to arraign uncharitably the motives of others, the undersigned is satisfied that many of the acts of the bank, that are complained of, do but justify his uniform apprehension of such institutions. He conceives that the bank has forfeited all claims to favour, and that, if chartered, with such a weight of complaint against it, the charter might almost as well be perpetual as limited.

But, whilst these are the sentiments he entertains, and whilst as an individual he might, in every fair way, utter and publish, in language becoming a freeman, his strong remonstrances and upbraidings at the 3 per cent. transaction, and others; he does not consider it proper, as a public officer, to pursue any other than an open, decided, and authorised course. He is persuaded that vindictive justice is so much at variance with the best feelings of the human heart, that a resort to a measure of that kind, would, by the repugnance that it would create, tend to merge the more essential consideration of the future destinies of the country.

At present the bank stands, if not convicted, arraigned before the country. It has put itself in the wrong, and the stockholders have not manifested an inclination even to inquire into the causes of complaint against the directors. Public opinion is unfavourable to the continuance of the institution. It is obviously the conviction of dispassionate men, that no modification can control an institution, that has the elements of evil in its composition and existence. The dictates of prudence and policy, therefore, demand, that

nothing should be done against the bank, that might altogether conceal justice under the veil of sympathy.

The main question was put to the people by the President, and left to them, in such terms, and in such forms, as to absolve him from all accountability. In this, as in other instances, posterity will do justice to the purity of his purposes, and the vigour of his acts. And there is no occasion, either for the present or the future, to adopt a course different from the open and manly one heretofore pursued. It is not requisite, in order to prevent a renewal of legal life, to resort to measures, that might be regarded as extreme, if not utterly needless.

IV. The undersigned is persuaded, that the measure would be regarded as extreme and arbitrary, for these reasons.

1. The charter is the law of the land; it is a contract, that cannot be dissolved, or altered, without mutual consent, or forfeited without inquiry. The public deposits are a benefit to the bank, for which it has paid a consideration, and their continuance is a part of the contract.

Has the undersigned a right to rescind this contract? It is certainly true, that he has the power to change the depository, but he is bound to give his reasons. What reasons can the undersigned give? He must not rely on the reasons of others, unless he adopts them as his own: he must be satisfied, that the measure is sound in itself and defensible.

If, indeed, there were not other tribunals, before which acts involving forfeiture might be inquired into, and acts involving forfeiture were apparent, there might be some apology for an exercise of extraordinary power by an individual. But if there has been such misconduct in the corporation as warrants a forfeiture of its charter, or if there have been such acts done by the directors or officers, as bring them within the penalties of the act of incorporation, what reasons can be given, for visiting the sins of the officers upon the stockholders, without a trial by jury, or other judicial proceeding? How could the undersigned justify himself before congress, even if his opinions were sound, in declining a judicial inquiry, and in condemning the accused unheard?

If the President is satisfied, that there has been misconduct, such as would warrant punishment by judicial agency, why has it not been, why may it not yet be, resorted to? But if no such step has been taken, or can be sustained, how can the undersigned justify the assumption of the powers of jury, judge, and execu-

tioner? Is he to punish unheard, at his own pleasure, and without being able to assign to congress reasons for such an arbitrary act? Is it consistent with the principles of justice, or the genius of our institutions, that any man should be able to constitute himself a dictator, in matters affecting the character of the country, the welfare of the people, and the fame of men, who are entitled at least to the rights of felons?

The undersigned has been, like other men, under excitement, in relation to the Bank of the United States, and upon public grounds has been desirous to see its existence closed; yet he would not, under excitement, exercise such a power as is now conferred upon him; much less will he, now in a high station, and under the guidance of deliberate reason, do any act, that has not the stamp of manliness upon its front. He does not think that the end justifies the means, or that there is any distinction between moral and political integrity. No doubt, the President believes the proceeding, under consideration, to be fair, manly, and sound. The undersigned has learned not to say dogmatically, that he is right, and that another is wrong. It is sufficient for him, that, whilst he sincerely respects the sentiments of the President, the undersigned cannot at his pleasure change his own convictions, or present to congress reasons for an act, that he believes to be arbitrary and needless.

It is true, that congress gave to the undersigned the right to use this arbitrary power; but for what purposes? Surely not to enable him to usurp executive or judicial authority. It is the right of the President to arraign, and the right of the judiciary to try, the bank. Upon what pretext can the undersigned wrest these powers from the legitimate organs? Or can it be fancied, that congress transferred to the undersigned, powers not possessed by themselves? What, then, is the fair conclusion, in the absence of all explanation, as to the motives of congress? Surely, that dictatorial power was conferred on the secretary of the treasury for occasions demanding sudden and extreme action, or as a salutary check upon the bank, or a means to promote the conclusion of its affairs. It never could have been conferred to enable an individual, whose appointment has not yet been confirmed by the constitutional advisers of the President, to execute vindictive justice.

Is there, then, any cause for sudden and extreme action? The undersigned admits, that the views in the President's letter, are very striking. They must, when presented to the people, or their

representatives, have a powerful influence upon the question of the renewal of the charter; but he does not believe that they warrant the undersigned in resorting to the proposed measure. It must be a very strong case, indeed, that would justify the nullification of a contract, made by all the departments of government.

2. The measure would be considered extreme and arbitrary, because the last congress acted upon complaints against the bank, and because the next congress may follow the example of the last. It cannot be pretended, that, the last congress doubted the ability of the bank to meet its engagements. The house of representatives, by a vote 109 to 46, decided that the bank was a safe place of deposite; and one of the last acts of congress authorised the secretary of the treasury to lend a million of dollars to the bank without security. What has since occurred, that should warrant the undersigned, in treating these evidences of confidence with contempt? What reasons could the undersigned give for reversing the judgment of those, of whom he is the mere agent? What has occurred, since the last session of congress, to change the ground then held? If any thing occurred, prior to the entry of the undersigned into office, on the first of June, why was not his predecessor called upon to act? And if nothing occurred prior to that time, what has since happened, that could justify the undersigned, who has not yet become acquainted with his duties, or been above forty days in office, in exerting powers, affecting not merely the bank, but the whole community? Is he to take it for granted that the last house of representatives was ignorant or corrupt? Or is he to conclude that there has been fraud or mismanagement on the part of the bank? He does not pretend, that an adequate investigation was made by the last house of representatives, but that house decided on the evidence produced. It was not competent for any agent to furnish adequate proofs. The minority of the committee of investigation declare, that a full and protracted inquiry by congress is necessary to the developement of truth; and yet it is expected that the undersigned shall either have faculties superior to those of congress, or hardihood that disregards their censure. It is supposed, that although a body with power to send for persons and papers were unable to come to a decision unfavourable to the bank, or even to express a disbelief of its safety; the undersigned, without any such inquiry or power to inquire, is first to do what congress would not do, and

then refer to the reasons of the President as a justification. Such a reference would not, and ought not to, answer as a defence. The undersigned is thrown on his own reasons ; and if he acts, and has none, he must stand in a posture before the world, not more honourable to the President than grateful to himself. It would, in these malevolent times, be said, that the President had purchased the conscience of the undersigned, and that the undersigned had basely sold for office, the only inheritance that he may have to leave to his children, the unblemished integrity of their father.

If it does not become the undersigned to treat with disrespect the decision of the last congress, why should he refuse to await the interference of the next? Any proceeding now, especially in the absence of adequate reasons, would seem to arise from an apprehension, that the representatives of the people are incompetent or corruptible ; and that the people themselves are incapable of preserving the institutions of their country, in the event of a general depravity of their agents. The undersigned is not willing, by an act on his part, to give sanction to heresies, as groundless in themselves, as they are pernicious in their tendencies. He would despair of all that is calculated to cheer and exalt mankind, if he could fancy that his act, or the act of any man, even if endowed with intellect, or crowned with glory, were essentially necessary to save the people from themselves. He cannot have the arrogance to think, or to give colour of conjecture that he thinks, that he can save the republic, or that without him it would be lost. It is his duty, on the contrary, to follow the President's own example, who, instead of proceeding, as he might have done, by *scire facias*, against the bank, waited until the representatives of the people assembled, and submitted his complaint to them. In the absence of peril, the undersigned, does not consider it his duty to forestal the opinion of congress. If there is just ground for complaint, it is consistent with our love of our institutions, and our jealousy of their purity, to believe that an inquiry, if made, will be fairly conducted ; and that the representatives of the people will act, in consonance with their duty to Heaven, their country, and themselves.

But if, contrary to the lessons of experience, the representatives of the people, should be faithless, the bare suggestion of which the undersigned regrets to utter, the people have the inclination as well as the power to change them, and to annul any

act, that may have been the progeny of fraud or corruption. Have they not the inclination, as well as the power? If not, then the boasted excellence of our institutions must be a phantom. But, if it is a substance and not a shadow, as the undersigned thinks it is, it does not become him at least to decide upon a supposed imperfection, and substitute means, justifiable only in an insurrection or a siege.

With great deference, therefore, for the President's opinions, the undersigned concludes, that it would be arbitrary and needless to adopt the proposed measure at this time.

V. But, suppose, that the undersigned had reasons, to submit to congress, to show, that the measure was not arbitrary or needless, ought the substitutes for the present fiscal depository to be accepted? The undersigned respectfully conceives that he has not authority, and that it would be unwise, to adopt the scheme proposed. Undoubtedly, if the undersigned were to cease to deposite the public money in the Bank of the United States, it would be his duty to direct its deposite to the credit of the treasurer, in some safe place. But, at the threshold he is met with the question, what would be a safe place? Does it become him to judge of the solidity of an institution by hearsay? But, even if he chose to take that responsibility, has he any right to go further? The plan suggested by the President proposes a contract with divers banks, according to which certain service is to be rendered by one party, for the privilege of trading upon the money of the other. Has the undersigned authority to create a sort of charter? Has he a right, in any way, or for any time, to bind the United States? Have the local banks any right to bind themselves? If they have, what is the security, and who is the judge of it? Has the undersigned a right to contract, that certain banks may contract with other banks unknown to him? Has the undersigned any right, or is it discreet to leave to any agent the right, to decide, in the course of two months, upon the condition of all the banks, that may be necessary for the operations of government? If there is no law, granting powers needful in doubtful cases, can the undersigned discreetly take them on his own responsibility? Can it be, for one moment, fancied, that, beside the summary power to take away, the legislative power to authorise a disposition of the public money, was conferred upon the undersigned? Is it to be believed, that a section of a charter, obviously meant for extreme cases only, authorised the undersigned, in the absence of

any necessity, to take the public money from a bank, over which there is a control, and distribute it amongst institutions, over which no control exists? The 16th section of the United States Bank charter directs, that the public money shall be deposited in that institution, unless the secretary of the treasury shall direct otherwise; but so jealous were congress of the power, to withhold, thus conferred, that the secretary is enjoined to give reasons *immediately* to them; obviously showing, that congress considered themselves alone competent to judge of the *necessity* of a removal from one agent, and the *propriety* of the substitute. So that the undersigned deems it proper to use extreme caution on ground untrodden.

The undersigned is indeed aware, that certain local banks are now, from a supposed necessity, used as fiscal agents; and that several of his predecessors, as an act of ministerial duty or supposed necessity, at various times, and under various circumstances, made arrangements with state banks (the particulars of which he cannot now ascertain, owing to the destruction of the treasury office); but he also knows, that under those arrangements, the country lost between one and two millions of dollars, whilst of upwards of four hundred millions, from time to time in the custody of the United States Bank, not one cent has been lost. The undersigned does not use this as an argument in favour of a renewal of the charter, to which he is opposed, but he states the facts, to show, that he ought to have very strong reasons, indeed, to present to congress, for exchanging a certainty for an uncertainty. He repeats, an uncertainty; for if one of his predecessors was justified in saying, in 1814, that "the multiplication of banks, in the several states, has so increased the paper currency, that it would be difficult to calculate its amount, and still more difficult to ascertain its value," how much more doubt should the undersigned entertain at the present day?

Besides, the undersigned pleads the authority of the President himself, in the letter now under consideration, as ground for hesitation. The President does not pretend, that the proposed scheme will answer; he barely says he thinks it will. No doubt, he thinks so, and possibly in some measure upon premises presented by local institutions. But even upon such representations the President does not rely; for he does not suggest a plan for actual or continued operation, but merely as an experiment. Has the undersigned the right to make experiments upon such im-

portant matters? Did congress, in allowing him to retain out of bank the public money, confer on him legislative and executive power united? As already alluded to, the anxious care, that at once the undersigned should report to congress, after resolving to retain the money out of bank, shows that it was not meant that the undersigned should make experiments. As it is clear, therefore, on the President's own view, that he is in doubt as to a substitute, that he is prepared for a test only, and as the power of the undersigned will end on his report to congress, can it surprise the President, that the undersigned is in doubt also? If an experiment must be made, is it not courteous to those, of whom the President considers the undersigned in this case the agent, to await their instruction? Have not the constitutional holders of the public purse, the only means, that can be safely used for making such trials?

But if congress should not interrupt an experiment, and the experiment should fail, as the undersigned thinks it would, is he then to make another? Will not a failure of any precipitate, undigested, and unsanctioned scheme, give vigour to the claim of the United States Bank for a renewal of its charter? Will it not be urged, that the inadequacy of the President's own project proved the necessity of retaining an organ, that, for fiscal purposes, had such obvious advantages over local banks? The President, besides, seems to think, that time will be necessary to test the project, and desires that the trial may be made, so as to meet the dissolution of the United States Bank. This rests on the presumption that congress will not interfere, whereas the undersigned believes, that the operations will have scarcely been commenced, ere the apparatus will be demolished; an occurrence, which, for the sake of the President as well as himself, the undersigned desires not to witness.

Then, is it likely that banks of any solidity will embark in such a project, when they know that it may, and probably will, be arrested by congress? Is there the least reason to suppose, that banks of good standing will guarantee the acts of banks in remote parts of the Union? Would the undersigned be prudent in allying the country with banks willing to make such a common cause? So great were the difficulties of the Bank of Pennsylvania, and so great were the losses, arising out of transactions with distant banks, after the dissolution of the old bank of the United States, that it declined to be accountable to the Union for the public mo-

ney placed in those banks. Does not the President see, that, however selfish the United States Bank may be, the local banks have not more extended principles of action? Will not the anxiety to make money, the ignorance, or the imprudence of, particularly remote, local banks, tempt them so to extend their loans, and trade upon the public money, that when that money shall be called for, they may either fail to pay it, or ruin their debtors by demanding its return? Upon whom would reproach, in such events, be cast? Not on the banks, but on the secretary of the treasury, as an oppressive, perhaps a party, measure. It is manifest that the welfare of the people demands, that, instead of being a partner of either, they should be independent of both United States and local banks.

VI. If the President knew, certainly, that the United States Bank charter would not be extended, would he advise a change of the depository of the public money? Would he urge the undersigned to execute articles of co-partnership between the good people of the United States and divers banking companies, that may be very well conducted; but whose solvency materially depends on the solvency of each other, and the solvency of the whole upon events beyond the control of any or of all? As the corporators, who have so long enjoyed a profitable part of the sovereign power, who have had the opportunity to amass fortune, and who have not been free from abuses to which monopolies are liable, are soon to cease in their operations; does it not become the duty of the representatives of the people, whose lives, liberties, and happiness are more or less affected by those institutions, to consider, whether the fiscal operations of the government may not be conducted without such agency? Could the inquiry be made at a more propitious time? Is it wise to make entangling alliances either with an institution not authorized by the constitution of the United States, or with loose corporations, which interfere with, derange, depreciate, and banish the only currency known to the constitution, that of gold and silver? Is it not inconsistent with the dignity of the government, to be obliged to grant favours or exclusive privileges to particular descriptions of persons, that would not be otherwise granted, merely to secure a free and safe receipt and disbursement of the public income and expenditure? Is it consistent with the public spirit and intelligence of the representatives of the people to suppose, that they cannot devise a method to escape such thralldom? But, if, in the

wisdom of congress, no such mode can be found, as will enable the government to conduct its fiscal operations without the aid of a bank ; then it is respectfully suggested, whether some constitutional provision should not be made, to ensure all the good, with as little as possible of the evil, of a bank.

Although the undersigned limits the inquiry to the mere want of the government, it is not because he thinks this the only question worthy of consideration. On the contrary, an inquiry into the state of the entire currency, if not now demanded, must soon be required. But it is not to the agents of banks, that resort may be safely had, in inquiries of this nature. Good and useful as those agents may be, and no doubt are, in all the private relations of life, they are not so free from bias, as voluntarily to develop the nature and results of their own operations. The laboratory of the people is preferable, their representatives the manipulators.

The inquiry, that must, at last, be made, and for which preparation may be necessary, is not, which, of two descriptions of monopolies alike at variance with the sovereign attributes of the United States, and the general good of the people, is the least pernicious ; but how their abuses, and the consequences of those abuses, may be gradually corrected and averted. Such a scrutiny would be worthy of the wisdom of congress. It might be so conducted as not to affect injuriously, by its results, any interest ; and an opportunity might be presented to the Union and the states, gradually to limit, or remove, institutions, which, whilst they have some uses, are yet so partial in their operations, and so liable to be perverted, as to affect seriously the morals, impair the earnings, and endanger the liberties of the people.

Those institutions are now so powerful, and have such a common interest ; men in companies are so prone to do, what as individuals they would scarcely think of, that any change affecting them will be stoutly resisted. Can they be resisted at all, if their power shall have no check ere long ? Or is the evil only to be remedied, by one of those convulsions, in which, as in war, the ruin usually falls on those, who ought to escape ?

But if there is any illusion in this suggestion of a general inquiry, at least there can be none in the particular or preliminary inquiry first suggested. The fiscal operations of the government should be safely, steadily, and speedily conducted. How shall they be so conducted ? what shall be the machinery ? who the

agents? the undersigned, in the voice of experience, cannot err in saying, that local banks are not the best.

VII. Supposing, that in adopting the proposed measure, the faith of the country would not be violated; that contempt to the last, and the next congress would not be evinced; that the power to contract with state banks exists; and that it would not be unwise to make the contract; still the question presents itself, what would be the effect upon society? Would the operations of the government, or of the commercial world, be facilitated? Would confidence between man and man be promoted? Would the facility to stand a shock, in the event of a war in Europe, for instance, be given to the local banks?

These questions, and others of an analogous character, need not be discussed by the undersigned; for, his predecessor, on all accounts so much more competent to advise the President than he is, has placed this part of the subject especially, in a point of view, that cannot, he respectfully thinks, be overlooked by a chief magistrate, so anxious as the President has proved himself to be, to protect the mass of the community from embarrassment. From want of experience or information, the undersigned may not anticipate evil so extensive as that apprehended by his predecessor; but his fears are still so strong, that he is quite unwilling to be the one, who is to put the match to a train, the end of which he has not the sagacity to discern.

Even, if he doubted, whether the United States Bank could meet every demand of government, as made upon it, he would hesitate, whether it would not be his duty to forbear, rather than to increase the evil, by abridging the power of the bank to surmount its difficulties. So that in the absence of all doubt of the kind, the undersigned would be at a loss for an excuse, were he to produce, by an act on his part, the very mischief that is apprehended. Credit, like female fame, is of such a peculiar nature, that its blossoms may be blighted even by the breath of inquiry; what then, might not be the consequence of the blast of the indignation of government against an agent, in whose interest it was itself so deeply concerned? Much more trivial changes, than that proposed by the President, have produced great commercial convulsions. Such a measure, as is urged, would be regarded by the bank, so decidedly hostile, as to afford it an excuse to shake the fabric of credit, for the purpose of throwing odium on the government, and producing a persuasion, that in the extension

of the charter would be found the only remedy for the mischief. That it would not hesitate to do so, the President believes—that it ought not to have an excuse for doing so, the undersigned is certain.

It is, indeed, mentioned, in the letter of the President, that the United States Bank will not be able to effect any such purpose. But the undersigned is not satisfied, that an institution with so large a capital, with branches at so many important points, acting with one accord, and for a single end, with specie equal to half its circulation, has it not in its power to affect the operations of local banks, with specie equal to about a sixth of their circulation only. If the bank is really so harmless as this part of the President's letter supposes, then the alarm that the undersigned has at all times entertained, at the existence of such a power, is unfounded, and one of the most serious objections to the renewal of the charter is obviated. But the undersigned is not able to arrive at such a conclusion; he is convinced, that it is in the power of the United States Bank, so organized and so secured, grievously to affect the local banks and the community; the undersigned thinks that the trial ought not to be made.

Beyond doubt, the power of the United States Bank to control the local banks, and, through them, masses of the people, and through those masses, some of the constituted authorities of the country, is of such a character and tendency, as to excite alarm. But the very existence of such a power teaches extreme caution; such an adversary should gain no advantage from an abortive experiment to limit its influence.

The struggle to be made, is not to see, which can do the other the most harm, the government or the bank. The government has but one duty to execute, to inform the people and their representatives of the apprehended danger. It is not called upon to maim the bank, lest the bank should master the country. In any attempt to maim, the agents of the bank would be those most likely to escape, the wound would be felt in the cottage of the farmer, rather than in the palace of the banker.

On the other hand, if the suggestion of the President is sound, that the United States Bank dare not operate oppressively, because the state banks, having government deposits, might run upon the branches, then there is a check at all times, in the hands of the government; and the bank, during its legal existence, will

be careful not to do or omit, what might warrant a total removal of the deposits.

So that the United States Bank is represented by some of the local banks as an engine so powerful as to be an object of universal alarm ; and, the next moment, so utterly feeble, that by the simple operation of a treasury order, the entire branches may be broken up one after the other, and the paper flung upon them in masses, which they will not be prepared to redeem ! Which of these is the true picture ? If a treasury order has such talismanic influence, can there be a better pledge for the safety of the public deposits ? But, if it has no such power, is it discreet to commence the war ? In all such calculations, as those referred to, the flinging back masses of bank paper, and breaking up the branches, are items, that seem to have caused no compassion for the ultimate sufferers. It appears to have been forgotten, that a large portion of the good and pure people of the land would be ruined—and why ruined ? because the government of their country had put the power to ruin them into the hands of corporations, intent alone upon their own aggrandizement ! Whether it is wise to make such experiments, the undersigned, with confidence, respectfully submits.

He submits, with confidence, because he knows the purity of the President's purposes, and that he will not press for a measure, to say the least of it, of doubtful and portentous character. He is not at all surprised, that excitement should exist ; it was almost unavoidable on the part of those, who are pure themselves, and who sincerely believe that they see impurity in others ; its existence is even honourable to those, who, to avert a catastrophe really apprehended, are content to incur some risk on their own part. No one can imagine, that the President can have had, or can now have, any other than the purest intentions ; his apprehensions are sincere, not factitious ; but, still, the apprehensions, that are entertained, warrant those measures only which will bear the cool examination of the future historian, rather than the test of contemporary feeling. It is of such measures as are now proposed, that history will be the record. It will be to the adoption or rejection of them, that public men, in after times, will look for examples. It is all important, therefore, that the most exalted ground should be taken, when about to direct movements, that will be compared with the past, that will affect the present, and be an enduring guide in future.

The President, indeed, seems to think, that he is but obeying the will of the people ; he believes that his veto message became the deciding as well as dividing point at elections. But the undersigned is unable to concur with him, that his election was the result of a contest on that point. In many parts of the Union, the bank question formed no part of the materials of dispute ; in others, many friends of the bank voted for the President ; and every where, thousands voted, for the same reasons, that had induced them to call him from his farm—they knew his services to be glorious, and his patriotism to be greater still.

But, if it is true, that, when the President said he left the question to the people, they really took it up, then the undersigned respectfully asks, whether it was ever supposed, that the secretary of the treasury was to be their champion? Was it not rather the design of the President, that the people should send to congress agents, who would be true to their trusts? Surely this is the constitutional and the patriotic course, and if it shall not answer, then the undersigned thinks that the days of the republic are counted. But, he does not so think, neither will the President so think, if he shall reflect upon the career of his country ; on the contrary, the undersigned is persuaded, that, as the sun of the President's eventful life shall be setting, he will see his country in the full enjoyment of all the liberty and happiness, which he has done so much to transmit unimpaired to posterity.

VIII. It may perhaps, be asked, whether the power, conferred, by the United States Bank charter, upon the secretary of the treasury, is to remain a dead letter upon the statute book? In the first place, it may be replied, that, if it should so remain, it may be honourable to the country as well as beneficial ; for it will appear, that arbitrary principles are not resorted to, whatever may be the force of extraneous excitement—it will appear, that the power given, was not exercised as a substitute for the constitutional prerogatives of the legislature or judiciary. In the next place, it by no means follows, that because the undersigned is unwilling to enter into an alliance with divers banks, that have interests adverse to each other, and no common interest but to make all the money they can out of the treasure of the country, he is to be perfectly passive, in all other respects. It is the opinion of the undersigned, that the public deposits will not constitute such a fund, as to warrant extensive operations on the part

of any bank. If the revenue of the present year shall meet the demands upon the treasury, it does not seem to be probable, that the surplus will be considerable. It is the present policy of the constituted authorities to keep down the income to the wants of the government. The results of legislative proceedings, of late adopted, cannot be very clearly anticipated. So that, it will behoove the United States Bank to regulate its operations accordingly. But, it will be the duty of the bank, whatever may be the amount of deposits, to reduce gradually the circle of its business, in order to avoid the pressure, upon the community, arising from a sudden suspension—a pressure injurious to the bank, as well as to the public and the government. And the undersigned thinks, that the country, as the proprietor of one-fifth of the capital, and upon general principles also, has a right to call on the bank so gradually to abridge its business.

If the bank should not do, what any prudent private banker, in the certain assurance of an early death, or any incorporated local bank destined to close its business, would do; then, it will be the duty of the undersigned to consider, in what way he may so exercise the power vested in him, as to cause a reduction of its business. The welfare of the country, the convenience of the government, and the interests of the bank itself, demand, that all concerned should so co-operate, as to prevent any of those evils, which flow from changes in the character or amount of a circulating medium. It may, besides, be in the power of the undersigned, without any risk of censure, to resort to means, that would be productive of benefit to all concerned, or at least not prejudicial to any.

Whatever may be deemed best, should be done cautiously, gradually, and with a due regard to the rights and interests of the weak as well as the strong.

IX. The undersigned might proceed, in a more extended discussion of the subject, under consideration, if such were necessary. He has tried to shun the paths, already beaten by those, whose opinions the President has availed himself of. He has indeed consulted his own heart and head as his arbiters. He has appealed to the aid of common sense, as well as of official intelligence, and will here close his remarks. Nothing but a profound conviction of being in the right, could have induced the undersigned to take his first step in opposition to what is so obviously the President's sincere desire. The undersigned has too great a respect for

the judgment of the President, and too little confidence in his own, dogmatically to say, that the President is mistaken, and that the undersigned cannot be so. Happily, if the proposed measure really is essential to any great or good end, it is not in the power of any man, much less of the undersigned, to set himself up successfully against a chief magistrate, to whom the country owes so much. Far from seeking such a celebrity, the undersigned is prepared to make any personal sacrifice, except an acquiescence in a measure, that he positively believes to be at variance with his obligations to the country, the President, and himself.

In any event, no change can be made in those sentiments of sincere respect and attachment, which will ever be entertained for the President, by his obedient servant,

W. J. DUANE."

LETTER V.

FELLOW-CITIZENS;

MY principal object in addressing these letters to you, has been to repel attacks upon my reputation, obviously sanctioned by the President of the United States. And if I had made no other defence than the letter, which I addressed to him on the 10th of July, I am satisfied it would have protected me from the false and malignant aspersions of his official paper.

In submitting that letter to you, I have defended myself against the President's assaults, and at the same time removed the doubt, which appeared to have been entertained by some of the members of the senate of the United States, whether the President had been duly warned as to the consequences of his proceedings. So that of all my objects in addressing you, so far as the public are concerned, but one remains to be executed; that of explaining the circumstances connected with the mission of an agent to make inquiries as to the substitution of state banks for the Bank of the United States, for conducting the fiscal operations of the government. In giving this explanation, I shall remove another doubt, expressed in the senate of the United States, whether an effort had been made to ascertain the consequences of the re-

removal of the deposits upon the relations of the United States Bank and the state banks towards each other. I shall show that, important as such an inquiry was, the President would not consent that it should be made.

But before I proceed to these explanations, you may desire to know the incidents, which followed the delivery of my letter of the 10th of July; a desire on your part which may be the more readily gratified, as a narrative of those incidents will naturally lead to the subject of the mission, which I have just referred to.

I delivered to the President, on the 12th of July, my letter of the 10th of that month. If he had been disposed to respect the frankness on my part, which he had not only invited but required, no sort of dissatisfaction would have been felt by him, when he read my letter. On the contrary, as it was his boasted rule of conduct always to do what he thought right himself, he should have commended me for following his own example. And if he meant to respect the promise, which he gave me, not to interfere with the independent exercise of the discretion committed to the secretary of the treasury over the deposits, he would have considered our correspondence closed by the letter before him.

But rumour, particularly agile at Washington, soon removed suspense on my part; and its report was confirmed by a cold and almost querulous note from the President himself, which, in effect, announced that he would not respect my sincerity or his own promise. He inquired what fiscal agent I proposed in lieu of the Bank of the United States, since I objected to that bank and the state banks also; and desired an interview on the subject on the 15th of July.

Accordingly, on that day I waited upon the President; but as it is not needful to my defence to mention the particulars of our conversation, I will barely say, that as to a fiscal agency, I referred to my letter of the 10th of July. In that letter I had represented, that the adoption of a fiscal agency was a legislative duty, and that the whole subject of the currency must be considered by congress, in providing for the safety and transmission of the public funds. Consequently, as the mere agent of congress, I would not venture beyond my own sphere, however inclined I might be respectfully to make suggestions thereafter. The President finally said, he would send me an answer to my letter of the 10th of July, and he accordingly did so on the 17th of that month. This reply was explanatory, and perhaps I may add

exculpatory also. As soon as I received it, I wrote a commentary, dated the 19th of July, and would have delivered it but for the considerations which I shall now mention.

When the President was at Boston, he necessarily addressed me by letter; but, when he returned, although his letter to me claimed a written reply, I perceived no necessity for the continuance of a formal correspondence. On the contrary, it seemed to be incorrect, that two agents of the same people, who met every day for the common good, should act as if they were the representatives of antagonist powers. On other subjects, the President and heads of departments had no such formal intercourse; and I considered it my duty not to encourage it, although by withholding this letter I did violence to my personal feelings.

Besides, it was perfectly obvious, that it was not with the President I was measuring the weapons of argument, but that I was thrust at from behind the tapestry, without any power on my part to return the blow, except upon the President, who really seemed to be unconscious that it had been struck. By this I mean, that in writing the President was made to insinuate what was at variance with his own declarations; so that I was compelled to believe either that he was unconscious of what was written for him, or else that he was deceitful to me. I adopted the former of these alternatives as the most charitable conclusion, especially as I became more and more satisfied that the President was not guided, as to the deposit question at least, by his constitutional advisers, but impelled by persons who had sinister views.

Accordingly, I concluded to promote personal intercourse only, and even flattered myself, that if communication by letters could be terminated, the President would adhere to his assurance not to "interfere with the independent exercise of the discretion committed to the secretary of the treasury by law over the subject" of the deposits. Under the influence of these feelings, and to avoid suspense, I waited upon the President twice on the 19th, and again on the 20th of July. At these interviews he said he wanted an inquiry only; and, on my saying that his letter of June 26th indicated an actual removal by the 15th of September, he remarked that the banks might not agree to the only plan he thought safe, that of mutual guarantee; that information ought to be obtained, even for the use of congress; that he conceived I ought to co-operate in collecting it; that he was de-

sirous that Mr. Kendall should make inquiries; and that we might remain uncommitted, until after a consideration of the questions that were connected with a change of the depository.

Well disposed to obtain information, which I believed would undeceive the President, and considering that a knowledge of the facts to be collected must be useful, in any event, I consented, as a ministerial act, to prepare a letter of instruction for the President's agent. When I had written it, I waited upon the President on the 22d of July, not doubting but that he would confer with me as to the points of inquiry embraced in it, and indicate any imperfection or omission. But in this I was greatly disappointed, for he desired me to leave the letter of instruction for his examination, adding, that he would see me after he had considered it.

I will here lay that letter before you. The paragraphs E, F, G, H, I, K, L, were embraced in the President's plan of state bank agency, quoted from his letter from Boston, dated June 26th. The remaining paragraphs were introduced by myself.

Instructions.

(A) "Sir—The operations of the Bank of the United States, excepting such as may be necessary for winding up its affairs, will cease on the 4th of March 1836. If, in the opinion of the secretary of the treasury, adequate reasons shall justify the measure, he may at any time prior to that period cease to deposite the public money in that bank.

(B) "The President, therefore, considers it his duty to ascertain whether a substitute for the present public depository may not be had; in the event of a change prior to the termination of the charter, or at the dissolution of the bank, should it until then remain the depository.

(C) "It is the opinion of the President, that to conduct the fiscal operations of the government, bank agency is necessary; and, as he cannot, consistently with his avowed sentiments, sanction any national institution, he desires to seek for agents amongst the banks incorporated by the several states in their individual capacity.

(D) "The President, having designated you as the agent to make the necessary inquiries, I beg leave to present to you the views that he entertains as your guide; it being understood that you are to make inquiries of all the banks in the principal

cities, in which primary banks are to be selected in order that an ample scope for selection may be had.

(E) "1. That one bank be selected in Baltimore, one in Philadelphia, two in New York, and one in Boston, with a right on the part of the government to add one in Savannah, one in Charleston, S.C., one in the state of Alabama, one in New Orleans, and one in Norfolk, upon their acceding to the terms proposed, all which shall receive the deposits in those places respectively, and be each responsible to the government for the whole public deposits of the United States, wherever made.

(F) "2. That those banks shall have the right, by a convention of their presidents or otherwise, to select all the banks at other points throughout the United States, in which the public money shall be deposited, with an absolute negative by the secretary of the treasury.

(G) "3. That the secretary of the treasury shall have power to discontinue the deposits in any bank or banks, or break up the whole arrangement, whenever he may think proper, he giving in such case the longest notice of his intention to do so, which the public interest may warrant.

(H) "4. That the primary and secondary banks shall make returns of their entire condition to the secretary of the treasury monthly, or oftener if he shall require it, and report to the treasurer weekly the state of his deposits with them respectively; and that they shall also subject themselves to a critical examination of their books and transactions by the secretary of the treasury, or an authorised agent, whenever the secretary may require it.

(I) "5. That the arrangement of the government be only with the primary banks, which shall be responsible to it, not only for the safety of the entire deposits, wherever made, but for making payment at any places in the United States, (without charge to the government,) in gold or silver, or its equivalent, of any sum which may be required there to be paid by the secretary of the treasury: that they will also pay any expenses of an agent, temporary or permanent, whom the secretary may appoint to examine into their affairs.

(K) "6. That they will render, or cause to be rendered, without charge, every service, which can now be lawfully required of the United States Bank.

(L) "7. [Unimportant.]

(M) "8. If the banks, or any sufficient number of them, shall be disposed to make such arrangements as are contemplated by the President, it will be necessary to inquire of them whether their several charters authorise them to make such an arrangement as is contemplated; that is, whether the president and directors may lawfully enter into the engagements required.

(N) "9. In order to ascertain whether the proposed arrangement is practicable, under circumstances, that may be expected to arise, inquiry should be made of all the banks, whether, if this arrangement should be made prior to the 4th of March 1836, it will be in the power of the Bank of the United States to embarrass or interrupt it; and whether any proceeding of that kind is to be apprehended. In case any such proceeding may be apprehended, it will be proper to inquire, what would be the probable effects of any collision or contest (between the selected banks and the Bank of the United States, or other banks favourable to or combining with it), not only upon the banks themselves, but upon the community at large.

(O) "10. In order that a full investigation may be had upon matters deeply interesting to the country, it is desirable that the views of the President herein expressed should be fully communicated to the banks proposed to be made public depositories; and that the banks should be required to give specific replies in writing, embracing statements of their affairs respectively, on the first day of the present month—the capital actually paid in—the amount of notes in circulation—the amount of specie actually on hand—the amount of deposits—the amount of debts due to the banks respectively—the amount due by them respectively—the nature and amount of the bank property of each—and all other facts that you may deem necessary to be known to enable the government to act advisedly, and to understand the true condition of the banks proposed to be made depositories.

(P) "Apprehending that any proceeding whatever, especially at the present time, may be likely to promote what is called stock speculation, with all the mischiefs and tendency of gaming, I respectfully express my conviction, that your agency ought not to be regarded as a matter to be kept secret, but on the contrary, that its objects should be explicitly avowed upon all proper occasions. Secrecy is not necessary, nor is it practicable if it were so; so that to attain a public object, the means should be open in themselves and in their developments. It will of course

be proper to communicate from time to time the progress you may make.

(q) "Having thus, Sir, placed before you the views of the President, and such suggestions on my own part as seemed to be called for, it becomes my duty to myself, in order to guard against expectations, on the part of the banks, that may not be realized, or misapprehension elsewhere, distinctly to say that my performance of the present act of duty, as an executive agent, is not to be understood as an indication of any intention on my part, under existing circumstances, to exercise the power vested in me by law. Whether such an emergency may not arise as may warrant the exercise of that power, it is unnecessary now to anticipate; it is sufficient to observe, that in my opinion none such exists at present."

· · · · In the afternoon of the day on which I delivered these instructions, to the President, for examination, instead of a message for a personal explanation, I received a letter, of which this is a copy.

THE PRESIDENT OF THE UNITED STATES TO THE SECRETARY
OF THE TREASURY.

Washington, July 22, 1833.

"My dear sir: I cannot perceive the propriety of the concluding paragraph q in the draft of instructions, proposed to the agent of inquiry, which you have submitted to me this morning; unless you are determined not to acquiesce in the decision which the President, on advisement with his cabinet, may make after a full view of all the circumstances of the case. You may not be aware that such is the construction which the paragraph authorises, and that it is manifestly at variance with the views which render the inquiry expedient. The great object to be obtained by the inquiry is to ascertain whether the state banks will agree to become the agents of the government, on the terms proposed, for the safe keeping and transmission of the public moneys. If they will, the ground taken by the President, should circumstances remain as they now are, is that it will be then expedient and just to resort to them as a substitute for the Bank of the United States as a fiscal agent. But lest in the course of the inquiry something might arise which would justify a different course, it was deemed best by us, at our last interview, that there

should be no commitment beyond the inquiry at this time, as to the action of the government in regard to the change of the deposits; and that on the latter point a decision should be postponed until the report of the agent should be received, when there would be a full consideration of the conduct of the bank, and of all the matters connected with the substitution of another fiscal agent.

“Previously to inquiry, however, you declare that nothing has yet occurred to render necessary the movement anticipated by it, and thus leave me to infer that should the inquiry establish the competency of the state banks to perform the agency proposed to them, you will not feel yourself at liberty to carry into effect, the decision, transferring the public deposits to them, which the President, on advisement with his cabinet, may make. Please inform me whether I am correct in supposing that this is your determination. If I am, it will then be my duty in frankness and candour to suggest the course which will be necessary on my part.

“I am, very respectfully, your obedient servant,
ANDREW JACKSON.”

I considered this a palpable violation of the President's assurance, given to me in his letter of the 26th of June, from Boston, that “it was not his intention to interfere with the independent exercise of the discretion committed to the secretary of the treasury, by law, over the subject” of the deposits; and I was at first inclined peremptorily to adhere to the last paragraph of the instructions. It occurred to me, however, that the President still admitted in his letter, that “all matters connected with the substitution of another fiscal agent” for the United States Bank, were to be “fully considered.” I knew that the instructions (an alteration of which was then unknown to me) contemplated the President's bank plan alone, the practicability of which I doubted. I also knew that the instructions contemplated the collection of information, as to the effect of a removal of the deposits upon the mutual relations of banks, and upon society, which if faithfully collected, would, I believed, disabuse the President's mind. And I could not with propriety say that I would not at a future period act, because it might become my duty to do so. Under these impressions, I forthwith wrote the following reply:

THE SECRETARY OF THE TREASURY TO THE PRESIDENT OF THE
UNITED STATES.

“ Treasury Department, July 22, 1833.

“ Sir: In answer to the letter which I have had the honour to receive from you, this afternoon, I beg leave to state that, having understood your present object to be merely an inquiry into the practicability of the arrangement, which you desire to make with the state banks, in case it should be deemed proper to employ them as substitutes for the Bank of the United States, and that there should be no commitment beyond that inquiry, it occurred to me that it would be prudent to insert in the instructions to the agent, a paragraph, which would prevent misconception, that might otherwise be produced, undesignedly on his part, in the minds of the directors of the state banks, or of those of the public. If such misconceptions should be otherwise guarded against, as they may be, I have no desire on my own account that the paragraph q should be retained.

“ I have already, both in writing and verbally, had the honour to state to you, that, after the fullest consideration which I have been able to give the subject, I do not, under existing circumstances, feel myself justified in substituting state banks for the Bank of the United States, as the depository of the public money; but that I am ready to make, under your direction, the fullest inquiry as to the propriety of the change. In the discharge of the high trust confided to me, it has been my desire to act according to my best judgment, with all the lights before me. And although I do not anticipate such a change in my views on the subject, even if the inquiry should establish the practicability of employing the state banks, as will lead me to remove the deposits for any cause now known to me, before congress shall have had an opportunity to act upon the matter, yet I am open to conviction, and will not fail to give the fullest consideration to any new facts which may be presented, and to any information that may be obtained in the proposed inquiry. I shall also be ready to enter into a full examination of the whole subject, when you shall, as you propose, bring it before your cabinet. But if, after receiving the information, and hearing the discussions, I shall not consider it my duty, as the responsible agent of the law, to carry into effect the decision that you may make, I will, from my respect for you and for myself, promptly afford

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you an opportunity to select a successor, whose views may accord with your own on the important subject in contemplation.

“Beyond this conclusion I respectfully conceive I cannot go without improperly committing myself; a position in which I understood I was not to be put before inquiry. Were I now to say, that I would persist in my present opinions, be the results of inquiry and discussion what they may, I should evince a recklessness to be rebuked; on the other hand, were I to pledge myself hereafter to abandon my present sentiments, without knowing whether any thing may arise to justify the change, I should betray a weakness to be pitied, perhaps despised. All that I can promise, therefore, consistently with the respect due to you as well as myself, is, that, when the moment for decision, after inquiry and discussion, shall arrive, I will concur with you, or retire.

“With the utmost consideration, your obedient servant.

W. J. DUANE.”

On the next day, after I had with the utmost sincerity given the assurance contained in the above letter, in the confidence that a full inquiry was meditated by the President, he returned the instructions to me altered in the very particulars which had been in my contemplation when that assurance was given. That is, I had embraced in the instructions the President's plan of state bank agency, for on the 19th of July he declared no other would be safe; I had also incorporated a direction to collect information as to the effects of a removal of the deposits upon the mutual relations of the banks, and upon society; and in his letter above quoted, the President admitted that inquiry was to be made into “all matters connected with the substitution of another fiscal agent.” In this state of things, I assured the President, that, if after receiving the information, to be obtained by the agent, and consequent discussion, I could not agree with him, I would retire. On the receipt of this assurance, the President struck out the direction to collect information, and inserted a new provision, empowering the agent to propose or accept new plans.

My confidence now began to waver. I perceived that a full and fair inquiry into “all matters connected with the substitution of another fiscal agent,” was not meditated. And the question inevitably presented itself, whether, in the altered circumstances, I was not absolved from an obligation to respect the assurance I

had given. But, I still flattered myself that the President would be undeceived, and that the time of the meeting of congress would be so closely approximated, ere a suitable inquiry could be made, as to render any action by the President altogether indelicate and improper. I, therefore, prepared the instructions as altered; not with a view to retain a post which had no longer any attractions for me, not to thwart the President in his legitimate course, not to mar a salutary measure, but to prevent the execution of a scheme which I believed would be detrimental to the country and the President himself.

The alterations made in the instructions were these—

Instead of paragraph c, according to which I had made the President, as I supposed he was, an opponent of any national bank, he introduced the following :—

“It is the opinion of the President, that hereafter as heretofore bank agency will be found convenient, in managing the fiscal operations of the government; and, as he cannot, consistently with his avowed sentiments, sanction any national institution, organized upon the principles of the existing Bank of the United States, he deems it proper to ascertain whether all the services now rendered by it may not be performed by the banks incorporated by the several states, on terms equally or more favourable to the government.”

The paragraph d was altered by striking out these words: “It being understood that you are to make inquiries of all the banks in the principal cities, in which the primary banks are to be selected, in order that ample scope for selection may be had.”

Paragraphs l, n and q were wholly struck out. I have not copied l in the instructions, as it was not thought proper to be embraced in them, on justifiable considerations: its omission does not affect any existing question.

This new paragraph was added :—

“You are not to consider yourself precluded by these instructions from making any other propositions to the said banks, for the purpose of ascertaining on what terms they will undertake the service referred to; and you are at liberty to receive any propositions from them that they may think proper to make.”

The instructions, thus altered, were on the 23d of July sent to the agent, who soon after proceeded on his mission. He returned early in September, and on the 9th of that month his report was submitted to the President. The plan of bank agency, deemed

by the President the only safe one, had been almost unanimously rejected by the state banks. The materials (paragraph o) from which the condition of the state banks was to be ascertained, were very imperfectly furnished. No inquiry, beyond that which resulted in the agent's report and correspondence, was, to my knowledge, made. Nor was there any discussion in my presence, or otherwise to my knowledge, as to the agent's report and correspondence, or any plan of state bank agency. If any member of the administration understood what was to be the system of future fiscal operations, I was not that person, although I attentively read all that was submitted. Yet it was into this chaos I was required precipitately to plunge the fiscal operations of the country, at a moment when they were conducted by the legitimate agent with the utmost simplicity, safety, and despatch.

In my own defence, as well as from public considerations, I have submitted to you this account of the instructions given to the President's agent. It was due to myself to show that the instructions, as reported to the senate, are not in the shape in which I presented them to the President. My principal object, however, has been to state the important fact that the President would not permit his own agent to collect information, that might have disabused his own mind, or instructed his cabinet, whom he affected to consult. If the information, called for by the instructions as at first proposed, had been collected, I feel satisfied, that it would have indicated the evil consequences, which have followed the measures of the President. Whether these acts, thus wantonly executed, evinced patriotism and magnanimity, or a subserviency to a selfish cabal, you are competent to determine.

W. J. DUANE.

Philadelphia, March 3d, 1834.

LETTER VI.

FELLOW-CITIZENS ;

IN my last letter, I reached the period in my narrative, when the President's agent returned from his mission to the state banks, and when his report was placed in the President's hands. I

might, if at all needful to my defence, here notice various incidents, that occurred between the 23d of July and the 9th of September. There is but one, however, which I feel myself at liberty to notice at present, and that liberty I take, in consequence of the publication of an insidious article in the official paper of the 7th of February last, founded upon a passage in my letter to Governor Tazewell.

In that letter I mentioned my previous unwillingness to give a full exposition of the incidents of my brief official career; but added that I would so far depart from the rule of silence, as to state the true nature of the service, which I had been required to perform, especially as the official reasons given for its execution did not afford such an explanation. That the true nature of the service was not to substitute one fiscal agent for another, but to pervert a power, reserved by law for the public protection, into a weapon to punish the legitimate fiscal agent, at such a time and in such a manner as to evade legislative and judicial action.

The official paper of the 7th ult., perceiving the position in which the President was thus placed, relatively to the other two co-ordinate branches of the government, put forth a publication to mislead the public mind, and to excuse the President for not having awaited the action of congress. I propose in the present letter to examine this publication.

My explanation to Governor Tazewell is described, in the official publication referred to, as "Mr. Duane's second thoughts;" by which it is meant, I presume, that I had not before thought of what I had then stated. But it is barely necessary to read my letter to the President of the 10th of July, in order to perceive, that I then gave to him the very "thoughts," which in January following I very briefly expressed to Governor Tazewell.

It is in the next place said, that my explanation to Governor Tazewell is a "revelation;" and this is correct, if the assertion means, that it is the first public exposition of what had not been before stated. In December last, I declined to reveal some incidents, which I have now mentioned; and I now forbear to state particulars which I may hereafter refer to; but my correspondence with the President shows that I might have long since disclosed what I now relate. I declined, however, until compelled to do so in self defence.

It is further said, that I have added a new reason, for refusing to remove the deposits, to those given in my letter to the Pre-

sident of the 21st of September last; but it will appear, on an examination of that letter, that this is a fallacy. It is true, I did not say in my letter to the President, "Sir—You required me to remove the deposits in order to forestall the action of congress;" the occasion did not call for that mode of expression, and courtesy forbade it. But I stated the fact in a different way; I refused to remove the deposits, because congress and the judiciary ought to be first resorted to, and both were shunned.

The official paper then insinuates, that my explanation to Governor Tazewell was intended to operate on the pride of power in congress. That it ought so to operate is true, but that it was designed for that end is unfounded. My object in showing what was the true nature of the service required of me was, to prove that I could not execute it without detriment to the public and reproach to myself, and that my course was not unworthy of the approbation of the citizens of Norfolk.

"We have understood," says the official paper, "that Mr. Duane was willing to fix a day after the meeting of congress, on which he would remove the deposits, in case congress did not act upon the subject. And we know that some of those in favour of the removal, and among others the agent employed in making preparation for the transfer, were persuaded that Mr. Duane was sincere and honest in making this proposition, and entered into his views; but the President saw that it was utterly inconsistent with the principles which Mr. Duane had previously laid down in writing as those which would direct his conduct, and he considered the proposition as a mere finesse for the benefit of the bank, and treated it accordingly."

I will not here stop to comment upon the President's secret sentiments respecting me, which seem to have been so well known to "the agent" and "others," writers for his official paper, but will show what was my proposition.

When it was known early in September that I persisted in my refusal to remove the deposits, and even hesitated whether my duty to the country did not forbid a surrender of the post in my care, some of the members of the cabinet appeared to desire that a middle course might be pursued. I was asked whether I would fix upon a day, on which I would remove the deposits, after the meeting of congress, in case that body should not act on the subject. Whether this inquiry was or was not made with a view to an explanation with the President, I do not know; but when

I was requested to state my sentiments in writing, I did so in a letter, dated September 8th, of which the following is an extract:

“ My conviction has been and is, that *no cause* for a change of the depository *does exist*, such as warrants the exercise of the power conferred on the secretary of the treasury; that, *until adequate cause to change shall arise*, it will be his duty to deposit as at present, unless congress shall otherwise direct. So that I can give no assurances but these; I will change the depository as soon as congress shall direct me to do so, or as soon as such cause shall arise as will, in my judgment, justify the act; but, if congress shall not sanction the removal of the deposits (that is, do so previous to removal) I am not at liberty to say, that I will act at a given time; for I do not know that at that time there will be any more reason than there is now for a change.

“ This is the result of reflection. I will respectfully and without bias listen to what may be said hereafter; but I have no expectation of varying in the least from my present position. I am willing, and ready, and anxious to go home, as soon as the President shall say such is his preference, rather than do what I should ever after regret and condemn.” [See Appendix A.]

Thus it appears, I refused to fix a day, consented to remove the deposits in case congress desired it, and stated my readiness to retire as soon as the President should express his preference for that course. Here I might rest my defence, but consider it a duty to proceed.

In my letter of the 10th of July, I said, that, to justify my own act in removing the deposits, I must rely on my own reasons and not on those of others, obviously alluding to the offer made to me by the President of his reasons, in case I should not consider my own sufficient. The official paper, however, says, I refused to act even upon reasons “ legislative ” or “ executive. ” This is not only contradicted by the proposition above quoted, but by the whole course of my written and oral discussion with the President; it is also controverted by what I stated to the legal adviser of the President, my successor in office, at an interview had with him by the desire of the President himself. And to show more precisely the nature of my argument, I quote the following passage from a paper drawn up on the 19th of July for the purpose of meeting the President’s statements:—

“ You [the President] are of opinion that there is a radical error in my view of that part of the subject discussed, which re-

lates to a reference of the question of the deposits to the next congress. In order to demonstrate my supposed error, you ask, whether the deposits can be removed except by the secretary of the treasury? to which there can be no other reply than, that the secretary alone can remove them. You, then, however, inquire whether congress can make any provision for a deposite of the public money before its removal? to which you reply it cannot, and that a removal, therefore, must be the first step. In this, however, I cannot concur; on the contrary, I am satisfied that congress may control the whole matter. Your conclusions are that the existing grounds for removing the deposits are sufficient, and that, so far, congress have nothing to do with the question; that it would be throwing on them a responsibility, not belonging to them but to another branch of the government; that when a change shall be made, it will be time enough to submit it to the revision of congress, but that until the change be made they cannot act. But, Sir, I cannot concur in this view of the subject; the positions assumed, I humbly conceive, are untenable. The bank charter reserves to congress the right to decide after removal, whether the removal was proper or not. So that I respectfully contend that congress have a right to decide whether a removal should or should not be made at a future day, for they are to judge of the reasons. Nor do I admit that the responsibility rests upon the executive branch of the government; on the contrary you grant, in your letter of the 26th of June, that the secretary of the treasury has by law a discretion, which he may use independently. Independently of whom? Surely of every authority but that of the law, and of congress to whom his conduct is to be submitted. I may, indeed, be in error, but it would appear to me to be at least singular, that the secretary of the treasury should be clothed with a power, which his superiors could not exercise, guide, or control without his previous action; that if they should think the public funds in danger, they could not protect them, if he thought otherwise. According to my impressions, the power of congress must be wholly unsuited to its objects; if it may not be exercised to instruct its agent to do, or how to do, or not to do, the act, for which, if done, he is obliged to give them his reasons. So that in the absence of all necessity, I desire to submit the question of the removal of the deposits, *at first*, to those who are to decide upon it *at last*."

Whether I was correct or not, these were the positions, which I maintained in discussion with the President, and with the then attorney general, as they must both remember. So that it is wholly fallacious to pretend, either that I declined to be governed by the will of congress, or that the President had the least inclination to await their action. On the contrary, if the official paper is to be credited, the President determined to break down the bank, ere he had left Tennessee, and of course long before any of those occurrences took place, upon which he rested the propriety of removing the deposits. And I will here remark, that this hostility could not have been founded on constitutional scruples, for, when I introduced into the instructions for his agent, a declaration that the President was opposed to any national bank, he struck this out, and substituted a declaration, that he was only opposed to an institution organized upon the principles of the existing bank, a declaration meaning any thing or nothing.

Notwithstanding the facts, which I have stated in this letter, the official paper declares, that the President refused to listen to any application for delay, because he considered my effort “a mere finesse” “a stratagem” “for the benefit of the Bank of the United States.”

I ask you, fellow-citizens, to mark this, and compare it with prior declarations of the same paper. Behold the character given of your chief magistrate by his official organ! Some time ago, it asserted that the President had been uniformly kind to me; and I admit that his professions were occasionally very ardent, so much so that I confess I thought them sincere; I also admit, that he offered the mission to Russia “to save the feelings and pride of myself, family and friends.” But, observe, what the official paper now confesses. It declares that the President was in secret representing me to “the agent and others,” as utterly unworthy of confidence; at the very time when he was professing the utmost friendship to myself! In the cabinet on the 10th of September, in particular, the President declared, “I am well pleased with you all.” On the 14th and 18th of the same month, he said to me, “if you will stand by me, it will be the happiest day of my life.” Yet the official paper of the 7th of February last shows, that the President was defaming me in private, when he was in company with “the agent and others;”—he was doing so, although he had not a solitary fact to excuse even suspicion!

This charge of duplicity is not made by me. It is the official paper which places the President in this odious position. I was his early and disinterested friend. To gratify him I abandoned my home and business. I committed no offence, unless in exercising independently a discretion, which the President promised I should so exercise. Yet, if his official paper is to be credited, he was secretly assailing the reputation of one of the members of his own cabinet, whom he daily met as a friend. Which am I to believe—what he said to me, or what his official paper now asserts?

W. J. DUANE.

Philadelphia, March 5th, 1834.

LETTER VII.

FELLOW-CITIZENS ;

IN the brief defensive address, which I published on the 2d of December last, I stated the circumstances connected with my removal from office in September. So that, when, in my recent letters to you, I reached the latter period, I was disposed to consider my vindication complete. As, however, much had been said in the President's official paper respecting my refusal to resign, it occurred to me that it might be proper to be more explicit on that point, and to state unreservedly the incidents, feelings, and considerations, which led to that result.

If I had entertained any doubts as to the propriety of further explanation on the point referred to, these would be now removed. In a paper, styled a "*protest*," which the President, on the 17th inst. sent to the senate and caused to be published in the newspapers, there is a new demonstration of his disposition to injure me. Not content with the anonymous slanders published with his sanction in his official paper, the President, in his "*protest*," has gratuitously and insidiously intimated, that, at the time of my removal from office, "other causes sufficient to justify it existed," besides my refusal to remove the deposits. He admits that I was removed for not removing the deposits, and that my removal was a painful alternative, yet he insinuates that

“other causes to justify it existed !” He thus barely says enough to excite suspicion, but refrains from any explanation that might enable me to repel, as I have hitherto triumphantly done, every attack upon my character.

That this imputation was insidiously made must be obvious. It was not necessary on the public account, nor was it material to the President’s defence. If “other causes” of complaint existed, and it was justifiable to refer to them at all, the reference should have been explicit. The imputation, however, is altogether vague; and, therefore, as a “substitute for that defence which I have not been allowed to present in the ordinary form,” I deny that “other causes existed to justify” my removal from office, and call on the President to show them if he can.

In the mean time, I refer to the letters which the President wrote to me in September last. He was then in a state of high excitement, if not anger, and not disposed to suppress reproof. Until he shall specify “other causes,” therefore, I proceed to notice the only tangible complaint that has been made, namely, that I refused to retire after having said I would do so; and I feel confident that my refusal will be pronounced perfectly justifiable.

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No dispassionate person can have read the letters which I have addressed to you without being satisfied, that I had been the early, steadfast, and disinterested friend of General Jackson. It must be equally evident that I reluctantly left the shade of private life, and was content to return to it rather than execute a measure which I condemned. I think it must be apparent, also, that so far as hopes and fears could have had an influence, there was every inducement to concur with the President, if I could do so consistently with my obligations to the country.

I had scarcely assumed the office which had been assigned to me, when doubts of the solidity of my position arose. It certainly was not of choice that I concluded that the President was not in the hands of his constitutional advisers. The conviction that such was the fact was forced upon me by evidence which it was impossible to resist. The individuals who were the first to announce to me what had been done, and what was meditated, upon a momentous subject, were scarcely known to me. As I have already stated, one of them gave me evidence

of his intimacy with the President, of the most conclusive kind ; and if another did not personally press his views upon me, he sought to accomplish his purpose in a way, which he no doubt considered equally efficient.

The majority of the members of two successive cabinets were opposed to a removal of the deposits, and their resistance was successfully combated by individuals who now urged me to enter into their views. I naturally weighed not only the question of the deposits itself, but the motives of the rival parties. It was impossible to attribute the course of the cabinet ministers to any sinister purpose ; and I certainly could not believe that their opponents were actuated by anxiety either for the liberties or morals of the people.

No public-spirited individual, so far as I knew, called for the removal of the deposits. All the letters urging the measure, of which I had any knowledge, were obviously written under factious and selfish influences. The persons, whom I heard named, as prominently connected with the subject in agitation, were in my estimation gamblers, at least in politics and stocks.

So that I was irresistibly led to the conviction, not only that the measure proposed was pernicious in its nature and tendency, but that it was successfully urged upon the President by a cabal, in opposition to his constitutional advisers. The experience of every succeeding day gave new strength to this conclusion. I doubt whether there was a solitary spontaneous movement made by the President upon the subject. I do not believe there was more than one paper addressed to me, or to the public, with his signature, which was not from the pen of one of the irresponsible persons referred to. If any doubt as to this sinister influence can still exist, it must be removed by a reference to the official paper of the 7th of February last ; wherein an intimate intercourse between the President and his "agent" and "others," is explicitly asserted.

It may be true that the predecessors of General Jackson considered themselves at liberty to seek for information out of the cabinet ; but if they did so, whom did they consult, and with what view was information given ? The objection is not that the President should have confidential friends, but that they should be individuals, whose intimacy he is unwilling to acknowledge. If the object of private conference was laudable, and if the persons consulted were virtuous and wise, there would be no occa-

sion for concealment, nor ground for so much anger at the suggestion of a cabal.

Being satisfied that a cabal did exist, I considered it my duty to the President as well as to the country to resist it. My resistance, however, was not made by covert means, but by an appeal to the President in my letter of the 10th of July. So little effect did that appeal produce, that it was followed by the first breach of faith on the part of the executive, of which I have reason to complain. The President spontaneously assured me, in his letter from Boston of the 26th of June, that I might independently exercise the discretion, as to the deposits, conferred on the secretary of the treasury by law; yet he utterly disregarded this promise, and never attempted to excuse its violation.

This was soon after followed by another breach of faith on the part of the President. In his letter to me of the 22d of July, while he still held in his hands the instructions that I had drawn up for his agent, he objected to the concluding paragraph thereof only, and did not intimate a desire to alter them otherwise. On the contrary he declared that there was to be "a full consideration of all matters connected with the substitution of another fiscal agent" for the United States Bank. Trusting to this declaration, I expressed in my reply of the same date my willingness to retire, "if, after receiving the information" to be collected by the agent, I could not concur with the President. Immediately after this assurance was given, the letter of instruction to the agent was altered by the President, so as to forbid the collection of the very information, which I deemed chiefly important to "a full consideration" of the subject. It is thus evident that my assurance to retire was conditional; it rested on the condition, that the information, contemplated by the instructions as existing when I gave the assurance, should be collected. The condition not being complied with, I was clearly absolved from all obligation to observe my promise.

That I was fully justified in connecting my assurance to retire with the condition here mentioned can be easily shown. My view of the propriety of retiring, in case I should not be able to concur, was based upon the expectation, that the amicable discussion, which was then going on between the President and myself, was to be conducted with entire fairness, without suppression of facts and apart from sinister influences; and if it had been so conducted I stood ready to redeem my promise. But in a con-

trary state of things I could not be expected to resign ; and hence I was right in connecting my assurance with the condition that information should be collected by the agent, necessary for the full consideration of all matters connected with the proposed change of the fiscal agent.

As I stated to you, fellow-citizens, in my fifth letter, as soon as the President forbade his agent to collect the information on which I chiefly relied, my confidence began to waver. I had treated the President as an honourable friend ; but I now found that his crafty advisers determined to make me their instrument, or else to effect my removal from office. Doubts arose, whether I had not been indiscreet in giving any assurance at all ; and whether I was under an obligation to observe that which had been given, after the circumstances under which it had been made had been changed by the President.

My mind was filled with these doubts, when other considerations presented themselves. By voluntarily retiring, I might relinquish the right of publicly defending myself when assailed ; and that I should be attacked, I was well convinced from what I already knew. As soon as it was understood that I resisted a removal of the deposits, cowardly menaces and foul insinuations appeared in newspapers of a particular class in various parts of the Union. I was satisfied that those publications originated at Washington ; and it was at length formally announced, not only to myself, but to the President, that his "agent," Mr. Amos Kendall, while on his mission to the state banks, had stimulated similar attacks. To such an extent, indeed, was this shameful course pursued, that I was not sure that the mind of the President himself was not the seat of dissatisfaction or distrust. Accordingly, to remove all doubt, I waited upon him on the 14th of September, expressly to inquire, whether he had any complaint to make in relation to my conduct, and whether any one had dared to call my motives in question. To my several inquiries the President gave a negative reply in the most emphatic terms, declaring that his friendship and confidence were undiminished.

It cannot be supposed that I then disbelieved the President ; nor need I now decide upon his sincerity. It is impossible, however, to pass this incident wholly in silence. In the official paper of the 7th of February last, it is asserted, that early in September the President declared to "the agent" and "others," that I was in league with the United States Bank to thwart him—that is, at

the very time he was professing to myself unabated confidence and almost parental kindness !

Such was the state of the relations between the President and myself, when, after his exposition had been read in cabinet on the 18th of September, he delivered that document to me for consideration. When I retired, I had to consider not merely whether I ought to remove the deposits, but whether it was my duty to resign. I was sensible that I had erred in giving any assurance on the subject, and doubted whether subsequent occurrences had not absolved me from all obligation to respect it. I desired to avoid a surrender of an important post, and yet wished to part from the President without unkind feeling. It occurred to me that I might accomplish both these ends by asking for a written expression of the President's wish that I should retire ; and in giving me such a memorandum, I did not perceive that there would be any committal of himself. It seemed to me that, assailed as I had been, and menaced with new attacks, the President, if really my friend, would not desire to tie up my hands.

I was reflecting upon these points, when early on the morning of the 19th of September, the President sent to inquire whether I had come to a decision. I replied that I would communicate it on the 21st. On the morning of the same day (19th), the President's secretary called on me to state, that the President had determined to announce the decision on the deposit question in the *Globe* of the next day. He then proposed to read to me a paper prepared for that purpose ; but I refused to listen to it, stating that I had the President's exposition then before me, and was preparing a defensive paper on my own part ; that the President ought to wait one day longer to enable me to present that paper ; and that any such publication in the *Globe* as was proposed would be a gross indignity to me as an officer and a man. The secretary said, he believed the President would proceed, that the *New York Evening Post* was urging a decision, and that as to himself he had no wish to express. I then delivered to him a written remonstrance against the proposed publication. [See Appendix B.]

On the following day, 20th of September, the decision, that the deposits would be removed on or before the 1st of October was officially announced. [See Appendix C.]

On seeing this announcement, all doubt as to my proper course vanished. I not only persisted in my uniform determination not to remove the deposits, but I now resolved not to resign. Put-

ting aside the defensive exposition, which I had now nearly completed, I wrote on the 21st of September a brief emphatic letter, [see Appendix D,] and on that day personally presented it to the President. On that occasion, I refused "to aid, assist or in any way participate in the proposed change of the public depository." I also refused to resign; and, "without in the most remote degree meaning any sort of disrespect to the President, I protested against his interference with powers and duties, which I believed were designedly withheld from him, and committed to the secretary of the treasury, the fiscal agent of the law." A long conversation ensued, the particulars of which I have it in my power minutely to state; but as I have throughout my narrative avoided all reference to conversations, unless indispensably necessary, I shall adhere to that course still. I will barely add, that I made the suggestion, heretofore alluded to, that a memorandum should be given to me to retire: this I considered would be a shield to myself, and would prevent any unkind feeling on either side. The President, however, insisted upon an unconditional surrender, to which I would not submit, and we separated.

Such is a brief view of some of the incidents, feelings on my part, and considerations, which led to my refusal to resign. For a further explanation I refer to my letter of the 21st of September, [Appendix D]. As to the imputation of the official paper, that, when I consented to retire, I meditated a non-compliance, it is contradicted by the tenor of my whole life, as well as by the particular facts of the case. I erred, perhaps, in giving any assurance whatever; for although it was given on a condition which was never fulfilled by the President, and although annulled in fact by the outrage on my feelings of announcing, without my consent, the decision of the deposit question, while I was still secretary of the treasury; yet the fact of there having been a promise, has given a colourable ground to my traducers for charging me with bad faith. But even supposing for a moment that my conditional assurance to retire was in full force on the 21st of September, still the President did not give me the opportunity of choosing between the alternatives presented in my letter of the 22d of July. In that letter I had said, that "when the moment for decision, after inquiry and discussion, should arrive, I would concur or retire." On the 19th of September I required until the 21st to present my decision. By taking, on the 20th of September, the arbitrary and illegal

course of announcing the intended removal of the deposits, while, as secretary of the treasury, I yet held the President's exposition in my hands for consideration, he forestalled my decision, and, by the affront thus put upon me, absolved me from all obligation whatever.

Thus, fellow-citizens, after having been allured from my home and business; after having been promised that I might *independently* exercise the discretion conferred on me as an officer by law; after having struggled against a selfish cabal; after having endured every thing but a direct affront, it is pretended, that, when that affront was given, I was bound to gratify the very object of those who insulted me, by tamely relinquishing office by a voluntary act, when such a course would have deprived me of the right of self-defence, the privilege which you now see is so essential to my safety.

W. J. DUANE.

Philadelphia, April 21st, 1834.

APPENDIX.

A.

The official paper having called in question the genuineness of the letter, from which this extract was taken, as well as repeated the assertion that I had made a proposition to the President, I addressed this note to the editor of the Commercial Intelligencer :—

“SIR—There is in the President’s official paper of the 15th inst. an article, which bears the executive stamp, and I therefore notice it. Commenting upon a part of my sixth letter, recently addressed to the people of the United States, it says :—

“ ‘ It is understood Mr. Duane had proposed in person to the President, that
“ ‘ if he would postpone the removal of the deposits until the 1st of January,
“ ‘ he would then comply with his wishes.’

“ There is no foundation for this statement.

“ The official paper proceeds :—

“ ‘ It was afterwards distinctly submitted as a formal proposition, and as a
“ ‘ means of uniting the whole cabinet in the support of the measure, that an
“ ‘ application should be made to congress to act in the matter—the measure
“ ‘ to be taken in the event of congress *refusing* to do any thing on the subject.’

“ It is enough for me to say, I submitted no such formal proposition. What others may have done or omitted ought not to be conjectured, much less believed, on the authority of the official paper.

“ In my sixth letter to the people, in order to show the consistency of my course, I quoted a letter which I wrote on the 8th of September to a member of the cabinet. The official paper says the President never heard of such a letter, and this may be true. But when it says ‘ no member of the cabinet has any knowledge of his [Mr. Duane] having written such a letter,’ the official paper speaks without authority.

“ Here I might rest, and call on the official paper to produce its authority for this alleged denial of knowledge. But there is no occasion for special pleading. I have had no secrets nor am I aware that others have had any—all that I wrote and spoke while I was in office, I should be glad to see printed and in the hands

of my fellow-citizens. I proceed, therefore, to the subject now in question.

“The cabinet was divided on the measure of the proposed removal of the deposits, two members for removal, and four against it. It was the desire, as well as the duty of the constitutional advisers of the President to produce unity of action if possible. The President himself said to them, ‘I want harmony, gentlemen ; I do not want to lose any of you ; I am pleased with you all.’ Conversations between the members of the cabinet necessarily took place. On one occasion the President himself recommended them to confer together. It was naturally desired, that my views should be distinctly understood. The possibility of some middle course, or compromise, was spoken of with a view, perhaps, to obtain the President’s concurrence. After an anxious conversation on the general subject between the secretary of state and myself, at his instance, and as I understood with a view to explanation with other members of the cabinet, I wrote a letter, of which I will now lay before you a copy. Prefixed to this letter there were extracts quoted from official documents, for the purpose of elucidation. In the draught of my letter, I did not copy those extracts ; I merely stated at the head of the draught, ‘[Extracts as to continuance of deposits].’ Of the letter itself, the following is a copy ; the original is, no doubt, in the hands of the secretary of state.

“ ‘Dear Sir—The foregoing are the extracts, the force of which you consider greater than I do. My conviction has been and is, that *no cause* for a change of the depository *does exist*, such as warrants the exercise of the power of the secretary of the treasury ; that *until adequate cause to change shall arise*, it will be his duty to deposit as at present, unless congress shall otherwise direct : so that I can give no assurances but these—I will change the depository as soon as congress shall direct me to do so, or as soon as such cause shall arise as will in my judgment justify the act : but if congress shall not sanction a removal of the deposits (that is, do so previous to removal) I am not at liberty to say that I will act at a given time, for I do not know that at that time there will be any more cause than there is now for a change.

“ ‘This is the result of reflection since I saw you last evening. I will respectfully and without bias listen to what may be said hereafter, but I have no expectation of varying in the least from my present position. I am willing, and ready, and anxious to go home, as soon as the President shall say such is his preference, rather than do what I should ever after regret and condemn.

‘Most kindly and respectfully yours,
‘W. J. DUANE.

‘Hon. L. M’LANE, &c.’

“Whether this letter, or its nature, was made known to the President, I do not know. Probably it was not, as its assurances presented no course that might be considered middle, or likely to be acceded to. All that it becomes me to do is to present the letter as written.

“W. J. DUANE.

“*March 19, 1834.*”

The official paper of the *24th of March*, commenting upon the foregoing letter, asserted, that it previously “had assurances from all the members of the cabinet, disclaiming any knowledge on their part of the letter” of the 8th of September, above quoted; and added, “such assurances we now have.” On the *26th of March*, the following note appeared in the official paper:—

“*Washington, March 25th, 1834.*

“TO MR. BLAIR, *Editor of the Globe* :

“In an editorial article in the ‘*Globe*’ of yesterday, relative to a recent letter of Mr. Duane to the *Commercial Intelligencer*, it is among other things, stated, ‘that we had assurances from all the members of the cabinet, disclaiming any knowledge on their part, of the letter to which Mr. Duane has referred,’ &c. ; and it is also stated, ‘such assurances we now have.’

“Being disappointed in the expectation that the ‘*Globe*’ of this morning would have contained such an explanation as would remove the misapprehension which the statement is calculated to produce, I deem it proper to inform the public that I have at no time had any personal or written communication with the editor of the ‘*Globe*’ on the subject, and have given him no assurances in regard to Mr. Duane’s letter. It is true that, upon one occasion, immediately after the appearance of Mr. Duane’s sixth letter, I stated to one gentleman, in answer to an inquiry from him, that I had then no recollection of receiving from Mr. Duane such a letter as he had referred to, but that it was not impossible that he had written, and that I had received it; because I remembered that I had held with him the conversation to which he alluded, and that, remaining silent at the time, he returned me the next morning, or soon afterwards, an answer—according to my recollection, a verbal one—substantially the same as that which it was asserted his letter contained. On the same occasion, I particularly urged that no notice should be taken of it in the ‘*Globe*.’

“I have only to add, that since Mr. Duane’s recent letter, I have given no assurances to any one, nor expressed any doubt that Mr. Duane wrote the letter according to his statement; but neither that letter, nor any thing that passed between Mr. Duane and myself on the subject, was communicated by me to the President.

“I am, your obedient servant,
Uni. Calif. Digitized by “LOUIS M’LANE.”

B.

“ A. J. DONELSON, Esq.

“ DEAR SIR—

“ The world is so censorious, that I am obliged upon reflection to express to you my hope, that you will not regard me as approving of any publication; it would seem to be but delicate to defer such an act, until I shall either concur or decline; however, all that I desire to have understood is, that I do not approve of the course you mentioned. Were I the President, I would consult, at least reasonably, the feelings of a man, who has already anxiety enough. As to the newspapers, they will know what has been done, without an official communication.

“ Very respectfully, yours,

“ W. J. DUANE.

“ *September 19th, 1833.*”

C.

From the Globe of Friday, September 20th, 1833.

“ We are authorized to state that the deposits of the public money will be changed, from the Bank of the United States to the State Banks, as soon as necessary arrangements can be made for that purpose, and that it is believed they can be completed in Baltimore, Philadelphia, New York, and Boston, in time to make the change by the 1st of October, and perhaps sooner, if circumstances should render an earlier action necessary on the part of the government.

“ It is contemplated, we understand, not to remove at once, the whole of the public money now in deposit in the Bank of the United States, but to suffer it to remain there until it shall be gradually withdrawn by the usual operation of the government. And this plan is adopted in order to prevent any necessity, on the part of the Bank of the United States, for pressing upon the commercial community; and to enable it to afford, if it think proper, the usual facilities to the merchants. It is believed, that by this means the change need not produce any inconvenience to the commercial community, and that circumstances will not require a sudden and heavy call on the Bank of the United States, so as to occasion embarrassment to the institution or the public.”

The agency of the President, as to the removal of the deposits, and the above quoted annunciation, appears from the following note addressed to me by the President's secretary. It also appears from this note, that at the time the intended removal of the deposits was announced, I held in my hands the exposition which had been read in the cabinet on the 18th of September.

“September 21st, 1833.

“DEAR SIR—

“The President has requested me to call upon you this morning, and ask for the paper containing his decision of the question of the deposits. Being too unwell to walk down to your office, I must communicate the President’s wish in this form. He desires to refer to the paper in preparing for the public a full account of the reasons which have led him to adopt the step which has been already announced.

“Yours, truly,

“A. J. DONELSON.

“HON. W. J. DUANE, SECRETARY OF THE TREASURY.”

D.

The Secretary of the Treasury to the President of the United States.

TREASURY DEPARTMENT, *September 21st, 1833.*

SIR—I have the honour to lay before you :

1. A copy of my commission, empowering and enjoining me to execute my duty according to law, and authorizing me to hold my office at your pleasure.

2. A copy of my oath of office, wherein I solemnly pledged myself to execute the trust committed to me with fidelity.

3. A copy of the 16th section of the law chartering the Bank of the United States, whereby the discretion to discontinue the deposits of the public money in that bank, was committed to the secretary of the treasury alone.

4. An extract from your letter to me of the 26th of June, wherein you promise not to interfere with the independent exercise of the discretion, committed to me by the above mentioned law over the subject.

5. An extract from your exposition of the 18th inst., wherein you state, that you do not expect me, at your request, order, or dictation, to do any act which I may believe to be illegal, or which my conscience may condemn.

When you delivered to me, on the 18th inst., the exposition of your views, above referred to, I asked you whether I was to regard it as direction, by you to me, to remove the deposits. You replied that it was your direction to me to remove the deposits, but upon your responsibility; and you had the goodness to add, that, if I would stand by you, it would be the happiest day of your life.

Solemnly impressed with a profound sense of my obligations to my country and myself, after painful reflection, and upon my own impressions, unaided by any advice such as I expected, I

respectfully announce to you, Sir, that I refuse to carry your directions into effect:

Not because I desire to frustrate your wishes; for it would be my pleasure to promote them, if I could do so, consistently with superior obligations.

Not because I desire to favour the Bank of the United States, to which I have ever been, am, and ever shall be opposed.

Not to gratify any views, passions, or feelings of my own—but

1. Because I consider the proposed change of the depository, in the absence of all necessity, a breach of the public faith.

2. Because the measure, if not in reality, appears to be vindictive and arbitrary, not conservative or just.

3. Because, if the bank has abused or perverted its powers, the judiciary are able and willing to punish; and in the last resort, the representatives of the people may do so.

4. Because the last House of Representatives of the United States pronounced the public money in the Bank of the United States safe.

5. Because, if under new circumstances, a change of depository ought to be made, the representatives of the people, chosen since your appeal to them in your veto message, will in a few weeks assemble, and be willing and able to do their duty.

6. Because a change to local and irresponsible banks will tend to shake public confidence, and promote doubt and mischief in the operations of society.

7. Because it is not sound policy in the Union to foster local banks, which, in their multiplication and cupidity, derange, depreciate and banish the only currency known to the constitution, that of gold and silver.

8. Because it is not prudent to confide, in the crude way proposed by your agent, in local banks; when on an average of all the banks, dependent in a great degree upon each other, one dollar in silver cannot be paid for six dollars of the paper in circulation.

9. Because it is dangerous to place in the hands of a secretary of the treasury, dependent for office on executive will, a power to favour or punish local banks, and consequently make them political machinery.

10. Because the whole proceeding must tend to diminish the confidence of the world in our regard for national credit and reputation; inasmuch as, whatever may be the abuses of the Directors of the Bank of the United States, the evil now to be endured must be borne by innocent persons, many of whom, abroad, had a right to confide in the law that authorized them to be holders of stock.

11. Because I believe that the efforts made in various quarters

to hasten the removal of the deposits, did not originate with patriots or statesmen, but in schemes to promote selfish and factious purposes.

12. Because it has been attempted by persons and presses known to be in the confidence and pay of the administration, to intimidate and constrain the secretary of the treasury, to execute an act in direct opposition to his own solemn convictions.

And now, sir, having with a frankness that means no disrespect, and with feelings such as I lately declared them to be, stated to you why I refuse to execute what you direct; I proceed to perform a necessarily connected act of duty, by announcing to you, that I do not intend voluntarily to leave the post, which the law has placed under my charge, and by giving you my reasons for so refusing.

It is true, that, on the 22d of July, you signified in language sufficiently intelligible, that you would then remove me from office, unless I would consent to remove the deposits, on your final decision. It may also be true that I should then have put it to the test; and it is also true, that under a well grounded assurance, that your bank plan, the only one then embodied in the instructions drawn up by me for your agent, would be, as it proved, abortive, that for this and other causes, you would be content, I did state my willingness to retire, if I could not concur with you.

But I am not afraid to meet the verdict of generous men, upon my refusal, on reflection, and after what has since occurred, to do voluntarily what I then believed I never should be asked to do. If I had a frail reputation, or had any sinister purpose to answer, I might be open to censure, for a neglect of punctilious delicacy; but I can have no impure motives, much less can I attain any selfish end. I barely choose between one mode of retirement and another; and I choose that mode, which I should least of all have preferred, if I had not exalted and redeeming considerations in its favour.

I have, besides, your own example: I do not say, that, after you had promised "not to interfere with the independent exercise of the discretion vested in me by law," you were wrong in interfering, if you really thought the public welfare a superior consideration to a mere observance of assurances made to me; nor can you say that I err, when, upon a solemn sense of duty, I prefer one mode of removal from this station to another.

The course is due to my own self-preservation, as well as to the public; for you have in all your papers held out an assurance, that you would not "interfere with the independent exercise of the discretion committed to me by law" over the deposits; and yet, every thing but actual removal of me from office, has been done to effect that end. So that, were I to go out of

office voluntarily, you might be able to point to official papers, that would contradict me, if I said you interfered; and I should thus be held up as a weak and faithless agent, who regarded delicacy not shown to himself more than duty to his trust.

Sir, after all, I confess to you, that I have had scruples, for it is the first time that I have ever condescended to weigh a question of the kind; but I am content, that it shall be said of me, that in July last I forgot myself and my duty too, rather than that it should be said, that, now, knowing the course that you pursue, I had in any way favoured it. On the contrary, if I have erred, I am willing to be reproved, but my motives no man can impugn.

My refusal to resign cannot keep me one moment longer than you please in an office that I never sought, and at a removal from which I shall not grieve on my own account; it must, on the contrary, hasten my exit. So that, if you shall proceed in wresting from the secretary of the treasury the citadel in his possession, the act can only be accomplished by a mandate, which will be my apology for no longer standing in the breach.

And now, sir, allow me to repeat to you in sincerity of heart, that, in taking the present course, under a solemn sense of my obligations, I feel a sorrow on your account, far greater than on my own. I have been your early, uniform, and steadfast friend; I can have no unkind disposition, but shall cherish those of a kind nature that I feel. You proudly occupy the hearts of your countrymen; but still it is the lot of humanity at times to err. I do ample justice to your motives, but I am constrained to regret your present proceedings; and I devoutly wish that you may live to see all my forebodings contradicted, and your measures followed by results beneficial to your country, and honourable to yourself.

With the utmost consideration,

Your obedient servant,

W. J. DUANE.

NOTE.—Whether there is any thing in the above letter, which warranted a contumelious return of it to me, dispassionate persons will determine. It was so returned to me, with an inquiry whether I would remove the deposits. I again refused, and on the 23d of September, I received the “mandate” which forced me to abandon “the citadel” in my possession.

W. J. DUANE.

April 21st, 1834.

Gaylord

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