

100
51

SPEECH

67

MR. CLAYTON, OF GEORGIA, ON THE BANK OF THE UNITED STATES.

HOUSE OF REPRESENTATIVES—March 2, 1832.

The following resolution, offered by Mr. CLAYTON, being under consideration—

Resolved, That a Select Committee be appointed to examine into the affairs of the Bank of the United States, with power to send for persons and papers, and to report the result of their inquiries to this House.

Mr. CLAYTON rose, and spoke as follows:—

MR. SPEAKER:

In the discussion of this resolution, a very singular contradiction has been presented. My motives have been arraigned in opposition to the express admission of gentlemen, that they believe nothing unfair, on my part, was intended by its introduction. While I am honorably acquitted of any political design, it is nevertheless urged that the sole object of this inquiry is to defeat the renewal of the charter, and thereby save the President from the necessity of meeting the question at this session. In seasons of strong political excitement, where men and not measures regulate the conduct of public functionaries, very little credit is given to the pledges of any one; and I am aware that I place myself in a very delicate situation, when I attempt to vindicate my motives by such a resort. But I think the gentleman from South Carolina, (Mr. McDuffie,) will bear me out in the declaration, that long before I came here, my opposition to the Bank was as decided and well known in the country we represent, as his own advocacy of that institution. I have been writing against it for the last seven years, and, as he well knows, have not even spared his own far-famed report. It would be something very remarkable, then, that under the first and only occasion where I could raise my official voice against it, I should be found dumb and unconcerned. From the part I have heretofore taken, and the just expectation which that course has inspired, I should, were I to remain mute on this occasion, lay myself fairly obnoxious to the suspicion that some sudden charm had spell-bound my speech. When I perceive gentlemen affirming, with so much earnestness, that it is all important to the country to recharacter the Bank at this time—that

62
2
it is unfair and ungenerous to assail it upon political considerations, and that the present measure is intended, not so much for the purpose of faithful inquiry, as to avoid the exercise of honest responsibility, I stand ready to declare, by every sanction imposed under the highest solemnity,—nay, by all my hopes of peace here or hereafter, that my opposition to the Bank is founded upon its sole, separate, naked, and individual unworthiness, unconnected with any consideration save the damning influence it has already exerted, and will continue to spread over every interest in this young and growing country.

But, sir, if gentlemen choose to consider the question as containing some lurking mischief, and will not believe any thing else, I am willing to put it upon that footing, and, foul or fair, we can have nothing to dread in the investigation of the subject. Are gentlemen altogether pure themselves in this matter? Is every thing fair and honorable on their part? Have they no political designs in urging the Bank question at this time? They should take care in persisting to ascribe improper motives of conduct to those who were favorable to the resolution, that they did not betray their own secret springs of action. The suspicion was much stronger against them; and I shall take occasion to exhibit the proofs. If you *will* press into this subject the Presidential Election—if nothing else will do—if the Bank is anxious to measure arms with the President, we meet you at once; and, without mincing the matter,—without palavering about disinterested views, and honorable intentions, and all that sort of thing, which may suit any other Congress but this, we come directly to the point, and affirm, that the friends of the Bank are justly chargeable with the first movement in this matter, under a political influence and for a political purpose; and we will defeat them, if we can, in that object, if for no other purpose but to save the Government from the disgraceful control of this dangerous IDOL. It has been distinctly avowed, that the only mode of saving the charter, was to connect it with the Presidential Election, which this resolution was calculated to prevent by the delay it would occasion. It seems to be the prevailing opinion of the friends of the Bank, that the President is afraid to meet the question, and therefore it is a great object with his friends to ward off the proposition for rechartering it at this session. Now, if this were true, it would be no more than just that cunning should be caught in its own snare. But I can assure gentleman they are greatly mistaken: first, as to the firmness of the President; and secondly, as to my own views in presenting this resolution. Does any man flatter himself that the President wishes to waive this question? The man who has for two years past urged the consideration of it upon Congress, that the people abroad should understand something of the nature of an institution of such vast powers, before they gave it another being! the man who has never shrunk from any danger, either moral, political, or physical! Will the man who has risked his life for his country, in a hundred shapes—who willingly exposed it at Taledoga, Emucta,

and the Horse Shoe, study, at this late day, to preserve his popularity for the sake of an office that can add nothing to his fame? Will the hero of New Orleans, who met the pride and strength of a triumphant European army, and as triumphantly laid it low,—who made civil and military authorities bend to that result, and defied all responsibility, now tremble at the prospect of meeting a question about which half the people know nothing, and the other half care nothing? In addition to all these tests of his contempt of death, when his soldiers in the Seminole expedition were on the very point of starvation, so that they were compelled to subsist on acorns, and in the anguish of their suffering, declared they could hold out no longer, and would desert him—will the man, who on that occasion, flung himself from his horse, and presenting his bosom to those famished troops, declared, if they separated they should first pass over his dead body, be afraid to meet such a mere *pop-gun* as a bank charter? Depend upon it, gentlemen deceive themselves—greatly deceive themselves, if they believe Andrew Jackson is composed of such stuff. Besides, the opinions expressed by the President would be those of the mass of the people, had not such infinite pains been taken to mislead them by dependent debtors, hireling presses, and interested speculators. As to my own course, it is actuated by no party devotion to the President. I have come here to attach myself to no party, except that which shall relieve the South from its most intolerable burthens; and on that account I do not agree with the President on all points of policy. I regret to say the President is too much of an *American System* man for me; but I take pride in saying, I admire him for his independence, I honor him for his integrity, and I greatly venerate him for his services; and for myself, though *anti-tariff* in principle, am willing to support the President's general policy, and in this respect I am confident I express the general feelings of the South. So much for the political motives that belong to the introduction of this resolution. Let us now inquire into the views which so suddenly determined the friends of the Bank to bring forward the measure of renewing its charter at this time, since gentlemen court this discussion. In the month of September last, the stockholders of the Bank held their triennial meeting at Philadelphia, and down to that time no cause appeared, though they had fully examined all the affairs of the Bank, which could make it necessary to apply to Congress for a reincorporation. On that occasion, if any good reason had presented itself to the stockholders for rechartering the Bank at this session, does not every one believe so important a matter would have been concluded upon? But what did they say at that time? Let me read it to the House. Say they, "The charter of the Bank will expire on the *third of March, 1836*, and there will consequently be *but one* triennial meeting after the present, and *that* at a point of time too near the expiration of the present charter, to authorize measures in regard to its renewal. It is fit, that before *that* meeting, *power* should be given to the Board of Directors to prosecute them, *if they think proper*. This power

should be large and definitive; not merely to solicit a renewal, but to abide, if they think right, by the terms which Congress may impose. A Board of Directors, who have administered the Bank in the manner detailed in their recent communication, are safe depositaries of the *entire power* of the stockholders on the subject of a renewal of the charter." Down, then, to last September, it manifestly appears no good reason presented itself to the stockholders, aided as they were by their "safe depositaries," to trouble Congress at this session about their charter; but, as if it might be necessary to watch the signs of the times, and to make the most of favorable circumstances, these stockholders came to the conclusion to vest unlimited *powers* in their Directors to apply for the renewal whenever they thought proper; and to save appearances for conferring so great a trust, apologized, by declaring them worthy of all confidence on account of former fidelity, and of course "safe depositaries of the *entire power* of the stockholders." Accordingly, they "*Resolved, That if at any time* before the next triennial meeting of the stockholders, (September, 1834,) it shall be deemed *expedient* by the President and Directors to apply to Congress for a renewal of the charter of the Bank, they are hereby authorized to make such application in the name and behalf of the stockholders, and to accept such terms of renewal as they may consider just and proper." Thus ended that meeting, and nothing prepared for Congress. On the first Monday in December, being the time of the meeting of Congress, nothing was heard about the Bank but the thrice repeated voice of the President. Down to that time, or a reasonable time thereafter for the presentation of a memorial, the Bank had seen nothing to make an application necessary, and so little was then thought of the matter, that when so much of the President's message as related to the Bank was proposed to be referred to the Committee of Ways and Means, the chairman of that committee said it was unnecessary to make such reference, for no report would be made at this session on the subject, unless the Bank applied for the renewal of its charter; and there the matter rested. As a great objection to the resolution of inquiry, it is now urged that it is all important to have early action upon the subject of rechartering the Bank;—delay will be fatal to it. This resolution comes too late; it will defeat the Bank of its charter; nothing can be so important to stockholders as to know what they have to rely on. And can it be possible that gentlemen are serious in such declarations? What! the stockholders not anxious about the matter in September last—left the whole matter to the Directors—they unprepared and indifferent about asking this Congress for a new charter at its meeting in December—send an agent here, who remained six weeks without ever broaching the subject to Congress—who returned home, and then sent on a short memorial that does not contain *one solitary reason* why this Congress rather than any other should act upon the subject, that now it is all important for *early action*! Wonderful! No; the truth is, the agent I have mentioned came on upon a reconjuring expedition, hung

around the skirts of the camp, and would occasionally wait upon political meetings, commonly called *caucuses*, and, after *counting noses* and concerting plans, popped off to Philadelphia—and lo! on came the memorable memorial which now requires such “early action,” and is doomed to destruction if it meets with any delay! Oh, what ineffable modesty is here, my countrymen! This is the key to the imputation of political management. Gentlemen who have brought it forward against the side I advocate, are conscious of their own principles of action, and are carefully endeavoring to fasten upon me what belongs to themselves. I beg leave to be excused. I have been to no private political meeting about this resolution, and that is more than can be said on the other side in relation to the Bank. I go no where but from my lodgings to this house, and from this house to my lodgings; and, coming or going, I am never in a caucus, unless the promiscuous throng that attends this place may so be called. I have the further testimony of some six or eight honest true hearted *State rights* men, with whom I live, that will readily affirm they know all my movements; and so far from having secret meetings, our every thought and action is laid open to the world in terms of constant detestation of that plundering system that is so fatally destroying our constituents.

As to the objection made by the gentleman from South Carolina, (Mr. McDuffie,) that this resolution comes too late, and will, if its object is attained, defeat the rechartering of the Bank, it has been most ably answered by my colleague, (Mr. Foster,) yesterday. I will only add, that this objection comes with a bad grace from the honorable Chairman of the Committee of Ways and Means; for he had not reported the Bank bill ten days, before I introduced my resolution. I arrived here, Mr. Speaker, on the 20th of January, and found the subject of the Bank in the care and keeping of the Committee of Ways and Means, and there it remained until the 10th of February. In all this time, it would have been very indecorous in me to agitate a question that was then under the consideration of a standing committee of this House, whose report, whether favorable or not to the Bank, could not well be known. There *might* have been no use for my resolution, though I candidly own I never had any violent misgivings on that point. So it was, I thought it my duty to wait for the report. And this was the more necessary and proper in me, for strange as it may appear, I heard it whispered about, that, for a *new member*, I had taken rather an early start in the way of debate. Let this be as it may, I care nothing about it, and should not have mentioned it, but I wish to show my constituents the aristocratic and monopolizing spirit of the times—the dangerous tendencies of this Government to exclusive privileges. I presume this is a part of the *American System* and *new members* are to have no share in the discussions of the House until they have served a regular apprenticeship! From this monopoly I also choose to dissent. On the 10th of February the report was made, and as soon as I learned that it was favorable to the Bank, and I could in-

roduce my resolution, it was done. Of the manner in which it was assailed I think I have just reasons to complain, though I may be mistaken as to what is, or is not, allowable by way of trick in this House. I will repeat, for the information of the people at large, how this plain, fair and reasonable resolution was treated, and if there was nothing wrong in it—if it betrayed no want of respect for such an important and useful measure—if it evinced no strong fears and suspicions of the rectitude of the Bank—if it amounted to no shuffling in the ranks, and a prodigious uneasiness about something which was not suited to the public eye, why then it is all well, and I have no right to complain. But if the people should think differently, and believe with me that I was badly treated, then I do complain.

I introduced the resolution on Friday, and immediately a gentleman arose and asked, as it was a very important resolution, that I would postpone it till the next day. I readily consented, saying I had no wish to hurry a matter supposed to be of such interest. He then requested that I would put it off until Monday. To that I also willingly consented. When Monday arrived, the intermediate time having been employed in settling a plan of operations, the first motion that was made, upon calling up the resolution, was whether the House would *consider* it. This, I understand, puts the matter to sleep at once, nay strangles it in its birth, if carried in the negative. Fortunately for me, the Speaker decided that the motion was out of order, as the receiving the resolution on the previous Friday and postponing it till Monday was such an order as implied a determination to consider the proposition. As soon as this decision was announced, another motion was instantly made to lay the resolution on the table. This, I understand, is also another method of giving a *quietus* to a measure; for if a majority opposed to it, can once nail the matter to the table, the same majority can and will keep it there forever. It can never again come up. The friends of the resolution looked at one another in astonishment, and then looked at the friends of the Bank with surprise, mixed with a very large portion of indignant scorn; and their looks seem to say, can it be possible you will so rashly dare to insult an intelligent community? Whether fears for the Bank or shame for the act, or both united, overcome the courage which prompted such a procedure, it is difficult to say, but so it was the motion was withdrawn. The argument then proceeded, and certain charges were preferred in such strong colors, and with such a powerful claim to the consideration of the House, that notwithstanding the resolution was most violently opposed at first, yet a gradual relaxation of resistance was manifestly perceived till finally a proposition was made, by the friends of the Bank, to refer the inquiry sought by the resolution to the Committee of Ways and Means—the very Committee that had twice reported in favor of the Bank, and had at this very session recommended its re-incorporation. Fortunately the honorable member at the head of that Committee, and who has been a disinterested friend of the Bank, expressed his dissatisfaction at that course—said it ought not to go

to that Committee, and that it was contrary to all parliamentary usage to send any proposition to a Committee, a majority of whom were opposed to the measure.* Thus the matter stands, and though we have been discussing this business for a fortnight, we hear nothing from the Bank—whether she wishes an inquiry or not; I therefore infer she does not, and believing that all the opposition which has taken place is with her knowledge and consent, I must, for the sake of putting this case in a still stronger point of view, beg leave to use an illustration, free and familiar in its character, and founded upon such obvious and common place ideas as will bring the conduct of the Bank to the full perception of every understanding however dull in its comprehension.

In order to show, Mr. Speaker, what kind of information has been denied, I beg to refer to the charges, how it has been denied, I beg leave to submit the following plain picture: Suppose, Mr. Speaker the Bank Charter about to expire, and the President and Directors, instead of sending a memorial for its renewal, should come in person into this Chamber—all the members being arrayed and seated on each side of you, as on a judicial bench, and respectfully ask for an act of re-incorporation. Suppose a member should rise, and say, Mr. President and Directors, you have had this great privilege for twenty years: besides the large interest which the Government holds in that Bank, the community are deeply concerned in knowing whether you have managed your affairs with prudence, impartiality and honesty, have you any objection, seeing you have your books along with you, to let us examine into them, fully, before we grant your request? Would there be any thing unreasonable in such a proposition? On the contrary, as a faithful public servant, is it not just such a demand as the public had a right to expect? The President turns round, and, after consulting his Directors in a whisper, replies to the member—"We had rather you would not make the examination." Whereupon, suppose, another member should rise in his place, and observe to the President—Sir, you must let your books undergo an investigation; for it is rumored all through the country that things are not as they should be in your institution—and, indeed, you are directly charged with fraud and corruption. If it be so, you have no right to ask for another charter. If it be otherwise, you have it amply in your power to make it appear; and such an examination, you know, must greatly heighten your claims? The President turns round again to the Directors, and, after further consultation, answers—"We would rather you would determine, among yourselves, whether you will CONSIDER those charges: we certainly plead not guilty to them, but would prefer not to be

* Since making this speech, a motion was made to amend the resolution so as to take the power from the Speaker, of appointing the Committee, the invariable custom of the House, and vesting it in the House to elect it by ballot. The motion was lost—has been reconsidered and again lost. Thus it is seen what an uncommon solicitude is indicated to avoid a fair and full investigation by the Bank.

tried!" The member says to his fellow members, we must *consider* this matter; to which all reply, yes, we must consider! The President then requests that the charges be LAID upon the table! He is asked—Are you not afraid or ashamed, for your reputation's sake, to make such a request? Upon consulting, a third time, with the Directors, he says—I will withdraw my last request; and we are now willing to submit to an enquiry, provided you will let us choose our own committee. There is among you some members who, heretofore, have been very friendly to us, and, presuming much upon a continuance of that kindness, we will leave it to them. One of those members promptly objects, and declares it is not right that the matter should be examined by those friends, and there the matter rests—the President and Directors still debating the question, and resolving to agree to no other terms. And now, Mr. Speaker, under this precise state of facts, suppose all the good people of the Union were assembled on the plain below the Capitol, and you were to get up and go to the window just back of you, and proclaim with a loud voice to the multitude, exactly what had occurred between the Directors and Congress, what do you think would be their reply? Just imagine, for a moment, this state of things, and again ask yourself, what would be the feeling that would run through this great throng? I will tell you, Mr. Speaker, knowing the honesty and intelligence of this great people, they would send forth one wide, loud, long and thundering shout—Let them go home! nay, drive them from your Hall! Such paltering with a just and honest right deserves no countenance; and whatever may be the suffering which they so artfully predict, among their ten thousand debtors, let it come, rather than sacrifice the firm purposes of principle and integrity which should ever belong to this boasted Government.

Mr. Speaker, if one-tenth part of the charges, thus preferred against the Bank, had been made against one of the Departments of the Government—what an uproar! Committees upon committees would have been appointed; his office would have been ransacked, down to the very envelopes of his letters, and nothing would have been left undone to ferret out the fraud, if any existed: and shall the Bank be less scrupulously watched? A great monied aristocracy, holding the fortunes of individuals, and perhaps the destinies of the Government within its grasp! Shall such a tremendous machine, to give it no worse name, be so sacred, as that the vulgar eye must not gaze upon it? We will certainly betide that hour, when, from either dread or doubt, this Government relinquishes its control over the Bank of the U. States. If it were situated here, Mr. Speaker, who could possibly object to a committee going into its office and looking into its management? and shall the distance of 100 miles present such an obstacle to the enquiry, as that it must be abandoned, for fear, they may not obtain, at this session, another twenty years exclusive sweep over the great monied affairs of this Union, especially when four years of their old charter is not yet expired? What must be the dreadful and fatal nature of that infatuation that seems so

eager to fix the country under another term of bondage to the most inexorable tyrant that can ever possibly sway its sceptre in this country? A dominion that strikes at the very subsistence of every man in the nation! Can we who have been sent here to guard every interest of the community, who are well paid for our services, who are provided with every comfort and convenience for our deliberations, consistently excuse ourselves to the country if we flinch from a duty demanded by every consideration of prudence and caution, because it may be attended with labors and delay, and because that delay may work an injury to a highly favored few? As to the passage of the resolution there is not a person in this House more indifferent to its fate than myself. I care not whether it is adopted or not. The consolation remains to me, and with it I am amply satisfied, that in submitting it to the House I have discharged an honest duty. It is now left to others to do with it whatever they may think proper. Having made these preliminary remarks, I shall proceed more immediately to an examination of the argument made by the gentleman, [Mr. McDuffie,] from South Carolina. Before, however, I proceed to this branch of my subject I hope I may be allowed to make one remark, intended by no means to give offence. Somewhere in the gentleman's observations he said he was glad he had quit the profession of law but I can assure the gentleman the profession of law has not quit him, for a more lawyer-like speech I presume he never made in his life. And when I say this, I have reference to that kind of ingenuity, which, being the offspring of a sudden occasion, addresses itself more to the fancy than the judgment, and operating with a quick and flurrying action seems to say *presto*, change, and be gone.

I do not intend to go fully into the merits of the Bank question at this time, I hope on another occasion, to probe that matter to the very bottom, I merely wish to explain the nature of the charges which I have brought against the Bank, occasionally throwing out such reflections as are obviously connected with the facts, and well calculated to stamp those facts upon the mind with a steadfast and abiding impression. A few of those general ideas at this part of our discussion will not be unprofitable, especially as I design what I am now about to say more for the public ear than for the benefit of this House. I will candidly confess I am extremely anxious to use my present station to speak to the people on the subject of this destroying Bank, and to urge them by every consideration which can forcibly appeal to the love of country, to a regard for their government, to a respect for liberty and equal rights, to their hatred of monopolies, to their disgust for extortion, to their horror of oppression and their detestation of privileged orders in this happy country, to pause before they permit the continuance of an institution involving within its influence and control all the foregoing relations.

The Bank of the United States, so called, to give it the advantage of a great name, is located at Philadelphia, and has twenty-seven branches scattered throughout the Union. The whole of this immense

money making machine belongs to a few privileged individuals, who have an express assurance that no similar establishment shall be erected by the General Government in the United States. These are some of the leading general principles of this institution.

1. The mother Bank will not receive the bills of her branches without a premium.

2. The Branches will not receive those of the mother Bank without the same.

3. The Branches will not receive the bills of one another without the same. Now what is the consequence of this? These favored few have a monopoly of all the monied transactions of the Union. Their capital is 35 millions of dollars, and this they lend out at a certain interest and then set out agents to shave their own paper. They first make a profit by lending their notes and then a profit by paying them off at a discount. Can any practice be more dishonest. If an individual by reason of his wealth were to do this, were to impose upon the necessities of his poor neighbor to whom he had given his note, by shaving it afterwards, he would be justly esteemed a dishonest man. The fact is, there are principles allowed to this Bank which the consent of all honest men have branded with infamy whenever practised by individuals. And it is permitted to do that with impunity which a sound morality has universally condemned in the ordinary transactions of men. But the most intolerable privilege is yet to be told; not satisfied with being allowed to lend and shave their own notes, the government actually puts into their possession the whole of its revenues, amounting to twenty-five millions of dollars to speculate upon as they may think proper. There is scarcely any man who does not know that under our system of taxation the most of it is paid by the consumers of the country, and they are generally the farmers. Commerce forms the subject of revenue which the merchant in the first place pays, but which he afterwards compels the consumer to re-imburse with an increase of profit. All this flows silently and imperceptibly into the Custom House and the government not satisfied with having exacted it from the hard earned labor of the consumer, by reason of a most ruinous duty upon the articles of his consumption, but they must suffer it to pass into the hands of a few highly favored stockholders to undergo an additional process of extortion. If the Collector of the revenue, the public officer of the government, were to lend out the taxes and speculate upon them after they were collected, for his own private benefit, every body would cry out shame upon such an officer, and he would be hurled from his post with just indignation. And yet the government directs him to pay the taxes into the Bank of the United States, and the moment it gets there, it is set afloat in all directions upon lending and speculating contracts, and these Bank gentry realize not less than six, and often as high as twelve per cent. upon the burthens of the country thus drawn into their coffers. Let us illustrate by a familiar, but striking example this process of extortion.

The Collector of Charleston receives from the merchants, and they from the consumers of South Carolina, one million of dollars in revenue, he dare not use it himself in any mode of speculation, but is obliged to deposit it in the Branch Bank of the United States at that place. That Bank then writes a short letter in true mercantile style to a sister Branch, say in New York, something like this—"Have to advise you of *one million* to credit of government (the hard earnings of the poor Carolinians) value at sight, and expect due honor." This is enough, a draft is drawn in favor of some cotton buyer who wants funds in Charleston at from one to two per cent. and the Branch at New York makes *right off* from ten to twenty thousand dollars from the *American System* screwed hard down upon the honest Carolinians. At the same time the same Branch at New York informs her sister Bank at Charleston, that she too has "ten millions taken in like manner, which can be drawn for in favor of merchants of Charleston, who want to purchase goods in New York;" accordingly it is done, and the Charleston Branch "pockets" from one to two hundred thousand dollars more, by what would be called on the turf "cross jockeying." And this operation is continually going on between the mother Bank and her Branches, all over the U. States, upon twenty five millions of government money. It is so mean and ridiculous a species of legalized swindling that while it resembles, it is even worse than the knavery of the two Dutch lawyers practised upon their unsuspecting clients when one of them wrote to the other, in true Dutch style:

"I haf von fat goose, I saund you anoder
You pluck de von and I'll pluck de oder."

Most people know nothing of the oppression and grinding exactions that are secretly but constantly operating upon the community by means of the monopoly granted to the Bank of the United States. Should not Congress then hesitate and examine, and examine and hesitate long, very long before they perpetuate such a blight upon the rising prosperity of this vast and growing country?

With a view to arrest the mad career into which the Bank is plunging its votaries, the strong direction of which is to go in, blind fold, for its re-establishment, I have preferred the charges so anxiously sought to be evaded, with a hope that enough will be found to cool down the ardor of its most fastidious advocates. To these charges I will now call the attention of the House. The first is, "the issue of 7,000,000, and more, of Branch Bank orders as a currency. The President of the Bank admits seven millions issued." The gentleman from South Carolina asks, "what is this charge? That the Bank has forfeited its charter! And how has it forfeited it? By doing that which the charter itself, in terms, authorizes it to do; by issuing *bills of exchange*." The very object, he adds, for which the Bank was instituted, its most important and beneficial operation, "the dealing in *exchanges*." Now, idle as he conceived the charge, I find that he and the President of the Bank are at points as to the

character of this currency, and if he is right, the President is wrong, and consequently has attempted to impose upon the government in accounting for this issue. I hold in my hand a correspondence between the President of the Bank, and the late Secretary of the Treasury, Mr. Rush, on the subject of this very currency. One of the receivers of public money, in the west, had written to Mr. Rush to know if he should receive these orders in payment of public debts. Mr. Rush immediately wrote to the President of the Bank to explain the character of those drafts, so as to enable the Department to judge how far they may be legally received in payments to the United States. To this enquiry, the President answered:—"You are aware that an expression in the Charter of the Bank, has been construed as implying that the notes issued, should be signed by the President and Cashier." Though this is the express and unequivocal direction of the Charter, which no sophistry can evade, yet the President thinks it was a wrong interpretation, which would "greatly impair the usefulness of the Bank, but having been adopted, it was deemed inexpedient to depart from it without a previous application to Congress." The application was made "to authorize the signature of notes by other officers than the President and Cashier," and was promptly rejected. The President then states that, having made a "full exposition" to the government, of the *inconveniences* under which the Bank labored, and perceiving no prospect of avoiding them but by its own resources, the institution found itself in a position where it became necessary either to *renounce* the *great purposes* of its creation, or to seek, among its other acknowledged powers, the means of accomplishing them." Here it will be necessary to keep distinctly in view, that the great evil complained of was the want of an authority to sign bills by other than the two principal officers of the Bank, and that the bills thus wanted were small bills for a "circulating medium," (not bills of exchange) as the President expresses it, and which circulating medium "was defeated by the absolute and physical impossibility of preparing the notes agreeably to the *prevailing* interpretation of the Charter." Now, with this idea present to the mind, let us see what was done. The President continues: "To remedy this evil, the officers of the Bank might have adopted the use of a *fac simile*. But to this, there was the insuperable objection that the signature was not, in fact, what it professed to be, the *manual execution* by the officer in the accustomed form." In other words, it would not be *signed* by the President and Cashier, as is indispensably required by the Charter. So far so good, would they had been as mindful of the Charter in other respects, but we shall see presently, careful as they were of this instrument in this particular, they violated a provision of it which actually lay along side of this very requisition. Bent then upon a remedy which should effect a double purpose, that of curing the evil in their own way, and treating Congress with contempt for rejecting their proposition, and without showing the right "among their acknowledged pow-

ers" which they said they could find, for issuing these checks, they resolved upon doing it at all hazards. Fearful, however, that it might make some stir in the community, they determined to have the measure bolstered up, by what? Not an act of Congress. Not a permission by the people through their representatives, but by the opinion of three distinguished lawyers! "In adopting, (said the President,) a *new measure*, it was thought most prudent to proceed with *great caution*, and to obtain the sanction of the *highest* professional authorities! The subject has, accordingly, been submitted to Mr. Binny, Mr. Webster, and Mr. Wirt"! Merciful heavens! the powers of this great government in the keeping of lawyers! Rights acquired, charter enlarged, powers extended by legal opinions! The opinion of Congress not equal to the opinion of Mr. Binny, Mr. Webster, and Mr. Wirt! Now, Mr. Speaker, if there was no other ground of suspicion than this very case, against the Bank, would you not, from sheer curiosity, like to have a peep into their books to see what they gave these very gentlemen for this very opinion? They acquired a great power by it, it must, therefore, have been a tremendous fee! But one thing I believe, if these gentlemen are like most lawyers, the Bank can have that same opinion reversed, whenever it suits their interest, for the same fee, let it be great or small. These advisers said they "were unable to discover any legal objection to the plan proposed; and, since it will facilitate the exchanges of the country, and secure the public and the Bank from frauds, it seems as expedient as it is lawful." This conclusion is arrived at in a short argument of little more than half a page, in which, not a reason in its favor is drawn from that instrument, but the right wholly justified from the necessity and convenience of the case, and the usages of other Banks.— In their own words—"it had been a former practice, and that such practice is without objection, is to be inferred from its long continuance." Moreover, "it is an ordinary banking operation to which their *general faculties* are perfectly competent." This is a fair specimen of the logic of the three lawyers. And, Mr. Speaker, I confess the last argument is the widest and most overwhelming one that can possibly be used for a Bank; for, if under their *general faculties* they can acquire power so as to legalize their acts, there is nothing (out of the line of *honest* transactions) they can not do, if they are not greatly belied. This opinion, with the assurance of the President that these checks were *purposely made to resemble notes*, as near as possible, "to secure uniformity of *appearance* to the rest of the *paper* issued by the Bank," and that if received on account of the government, "they effectually bind the Bank, and will be paid in the same manner as notes of similar denominations *signed* by the President and Cashier," satisfied the Treasurer, only in part, for he replied to the President that the Receivers of Public Money might take them, inasmuch "as you state they will be paid in the same manner as notes signed by the President and Cashier." The first reflections that suggest themselves upon this correspondence are

these: if this was issuing "bills of exchange" or "dealing in exchanges" in terms of the charter, wherefore the necessity of going to Congress for another remedy and as it has answered such a wonderful purpose and saved them from "renouncing the great purposes" of the Bank, why not have adopted it at first by doing that which the charter itself, in terms, authorized to be done? Wherefore the doubts of the Directors that "in adopting a *new measure* it was prudent to proceed with *great caution*?" Why necessary to consult the *highest* legal authorities upon "the very object for which the Bank was instituted?" Why say they were intended for a "circulating medium" if they are bills of exchange? Does not every one know that bills of exchange can never be a circulating medium; that the charter and laws which regulate their creation require that their march should be in a direct line and quick step to their place of destination, that there must be demand and acceptance, or refusal and notice, and whenever once paid they can never be re-issued? Why the doubt of the Receiver of Public Moneys expressed to the Secretary of the Treasury? Why his doubt to the President of the Bank? And why the particular pains of the President to satisfy him that they were made to resemble and to answer the purpose of bank notes as a medium to supply the deficiency which a physical impossibility of signing small bills had produced? But to put this matter beyond all doubt I have another correspondence between the President of the Bank and the present Secretary of the Treasury, as late as last month, in which he expressly states "the branch drafts being in practice, *substitutes* for *branch notes*, are considered in all respects *the same*." So that I conclude they are not bills of exchange, and if not bills of exchange, the gentleman from South Carolina, resting their legality *solely* upon that power in the charter, a clear case of a violation of that instrument is made out, saving and reserving always the powerful opinion of the aforesaid three gentlemen of the bar. But, said the gentleman, these checks are said to be contrary to the charter of the Bank, not because they are drawn by the officers of Branch Banks, not because they are drawn on the Cashier of the Mother Bank, but "because the Bank has been so atrocious, so daring as to *paint* the paper on which these drafts are drawn." In this argument I think every body will perceive that my charge of professional ingenuity against the gentleman's speech is not altogether gratuitous, for his must be a dull imagination that does not see the lawyer shadowed out in this mode of worrying a subject. Is the gentleman serious when he makes this round and bold declaration, that painting the bills blue "is the whole substance of the charge?" If I thought the gentleman in earnest I would give his argument a serious consideration, but as it is I will merely ask him why those bills of exchange were painted blue, or why painted at all? Did he ever see bills of exchange painted before? Or is it usual to paint bills of exchange? Is it common to make bills of exchange "resemble bank notes," and if not common, for what purpose were these made after the similitude of the notes issued by the

Bank? If satisfactory answers are not given to these interrogatories, I must be excused for saying the Bank had some deceitful purpose in view,—some design of a fraudulent nature was intended.— And, Mr. Speaker, let me tell you, there was a cheat in this thing, and that it succeeded; for so artfully were these checks made to resemble Bank bills, that there is not one man in ten thousand has ever noticed the difference, and they have been insidiously circulating since July 1827, like the wolf in sheep's clothing, until they have nearly robbed the South and West, as will hereafter appear, of all their gold and silver. Before I close this head I beg leave to read one clause, and the only one which can be found in the charter which relates to issuing of Bank bills. The only power they have for making bonds, bills or notes (and in the charter these two last are used as synonymous) is derived from this section, none other, I boldly say it, can be found, viz: "That said corporation shall not make any bill obligatory, or of credit, or other obligation under its seal, for the payment of a sum less than five thousand dollars. And the *Bills* or *Notes* which MAY be issued by order of the said corporation, SIGNED by the PRESIDENT and COUNTERSIGNED by the principal CASHIER, or Treasurer thereof, promising the payment of money to any person or persons, his, her, or their order, or to bearer, although not under the seal of the said corporation, shall be binding and obligatory upon the same, *in like manner*, and with *like force and effect*, as upon any private person or persons, if issued by him, her, or them, in his, her, or their private or natural capacity, and shall be *assignable* and *negotiable* in *like manner* as if they were so issued by such private person or persons; THAT IS TO SAY, those which shall be payable to any person or persons his, her, or their order, shall be *assignable* by endorsement, in *like manner* and with the *like effect* as *foreign bills of exchange* now are; and those which are payable to bearer shall be *assignable* and *negotiable* by *delivery* only: *Provided*, that all bills or notes SO to be issued by said corporation, (and if there had been any other kind they would surely here have been mentioned,) shall be made payable ON DEMAND, other than bills or notes for the payment of a sum not less than one hundred dollars each, and payable to the order of some person or persons; which bills or notes it shall be lawful for said corporation to make payable at any time not exceeding sixty days from the date thereof." Here then is the law, the whole law, and the only law, that relates to the Bank's power of making or issuing Bills or Notes; if there is any other, let it be produced. By this, as, as I stated before, it will be seen that though the Bank would not issue *fac simile* bills, because they would lack the *manual execution* of the President and Cashier, as required by the above section—yet they could authorize other persons to SIGN the Bills, whose signatures would be actually a less compliance with the law than those of the *fac simile*! It is for the Bank, and perhaps it belongs only to the *ambidexterity* of a Bank, to reconcile such inconsistency.

The second charge is usury on broken bank notes in Kentucky and Ohio; they amounted to \$900,000 in Ohio, and nearly as much in Kentucky. (See 2 Peters' Reports p. 527, for an example of the cases.)

This charge, I fully explained in my introductory remarks, when the resolution was presented. But the gentleman says he does not quite understand this charge, that there was a plea in the case, and a demurrer to that plea, that a demurrer is made merely to settle a principle and decides no facts. Now Sir, what does all this mean, has the gentleman come to the point? Is not his reasoning calculated to divert this House from the plain and obvious nature of the case? What is it? The Bank loaned a man by the name of Owens \$5,000, and instead of letting him have the hard money, or those bills that were equal to it, they paid him out depreciated Kentucky bank bills, one hundred dollars of which were only worth fifty-four of good money, and not satisfied with this enormous profit they made him promise to pay 6 per cent. interest on the whole amount of \$5000. When the note fell due they sued him and his securities, these latter plead the above facts in the case, and required of the court to say whether it was not **USURY**? The Bank demurred to the plea, that is, they admitted the facts, but denied that such facts would amount to usury. The Supreme Court declared that such facts did amount to usury, and the Bank lost its money. Now we all know that if the facts could have been disproved, the Bank would have withdrawn its demurrer, and requested a trial by jury. This would have been granted in a moment, but knowing full well that the facts were true, she knew it would be useless, and she has acquiesced in the judgment. The very note to the case which the gentleman read, and which is nothing more than a gratuitous apology for the conduct of the Bank, made in the great abundance of the Reporter's kindness for an institution situated in his own City, shows clearly the truth of the plea, and only palliates the fraud of the Bank by saying that the Bank had other bills like those she loaned to Owens, and that she got full pay out of the Kentucky Bank. This might be the case or not, but I rather expect he must have obtained his information from the Bank, and if so it is not good testimony; but even if it was, it only goes to show that Banks can make debtors bleed when they have lost all life as to other creditors. It will not do for gentlemen to try to evade the force of this case; it is too stubborn, and I only adduced it by way of example to show the nature of their extortions upon the necessities of the people. What they have done to poor Owens, they have done perhaps to thousands, who have no doubt sunk, they and their suffering families, into the most abject and squalid poverty. I have stated that they lent out \$900,000 of like money in Ohio, and nearly as much in Kentucky. I wish to know if this be true, and cannot well ascertain it but by an examination into their affairs; and if found to be true, if there is one honest man in the world, much less in this boasted land of liberty, that will say

this Bank should be re-chartered, then I confess I greatly mistake the human heart, and my opinions are to be trusted only under due and proper caution. But, says the gentleman, "this transaction happened ten years ago," and then continues: "this, it seems, is the day when all the sins of the Bank, for these sixteen years past, are to be brought up in judgment. If the gentleman had gone beyond the year 1819, he might have brought forward much higher charges than this." I could not possibly have asked stronger concessions than these against the Bank. The Bank was chartered in April, 1816, and never went into operation till January, 1817. From the moment it started, it began to falter, and in the short term of two years, according to the gentleman's own admissions, high charges could have been brought against it. Indeed such a confession has no merit in it, for I have before me the record of a committee of this House, who were sent to examine it in 1819, and which affirms the fact that the Bank had violated its charter, and ought to be abolished. Of course, beyond 1819 I ought not to go, for up to that time its best friends had pronounced it infamous. In looking for objections against it now, all charitable accusers should date its misdeeds and search for its delinquencies subsequent to the day of its condemnation, and when, for the best interests of the country, it ought to have been executed. A pardon saves and forgives all previous crimes. Then, it seems, in a very short time after it was released, it was found at its dirty tricks again; for if this lending something like two millions of dollars at fifty per cent. commenced ten years ago, it is obvious to every one that the Bank was nothing profited by the trial it had received, and for aught that appears from that day down to this, its path may be strewed with a thousand victims that may have fallen an easy prey to her cold and unfeeling rapacity. What better time can be selected "to bring up in judgment the sins of sixteen years," than at a time when she asks another term of twenty years to revel upon the wants of 12 millions of people? Having shown its acknowledged misconduct for the first two years of its existence—having shown a gross act of fraud shortly thereafter—having brought to the view of the House the murmurs and complaints of the country against this institution, indicating a strong suspicion of at least improper conduct—knowing, as this house does, that the government has 7,000,000 of dollars at stake—knowing, too, how deeply the community are concerned in this all-controlling establishment, and that if once more chartered, all future enquiry is closed, perhaps forever—is it, I put it to the candour of the House, unreasonable to ask for an investigation, and to warn the Legislature to pause before they rush into a decision the mischiefs of which no future skill or prudence can repair?

The third charge is the disguising of loans under the name of domestic bills of exchange for the purpose of taking more than at the rate of six per cent. The gentleman asked for an explanation of this charge, on a former occasion, and when given, said he believed

it never could be made out, implying thereby if it could be, such conduct would certainly be reprehensible. This, at least, then is not one of those shadows that vanishes into thin air and consequently deserves to be investigated. I will now make a fuller statement, and I think I am authorized to say that there are gentlemen in this House from the west, and under my eye at present, who will confirm every word I say. A person has a note in one of the Western Branch Banks, and if the Bank determines to extend no farther credit, its custom is, when it sends out the usual notice of the time the note falls due, they write across the notice, in red ink, these three fatal words, well understood in that country, "*payment is expected.*" This notice, thus *rubricated* becomes a death warrant to the credit of that customer, unless he can raise the wind, as it is called, to pay it off, or can discount a *domestic bill* of exchange. This last is done in one of two ways. If he has a factor in N. Orleans, who is in the habit of receiving and selling his produce, he draws upon him to pay it off at maturity. The Bank charges two per centum for two months, the factor charges two and a half, and thus, if the draft is at sixty days, he pays at the rate of twenty-seven per centum. If however, he has no factor, he is obliged to get some friend, who has one to make the arrangement to get his draft accepted. For this accommodation he pays his friend one and a half per cent. besides the two per cent. to the Bank, and the two and a half per cent. to the acceptor, making in this mode of arrangement thirty-six per cent. which he pays before he can get out of the clutches of the Bank, for that time. Twelve per cent. of which, in either case, goes to the Bank, and so little conscience have they, in order to make *this* they will subject a poor and unfortunate debtor to the other enormous burthens, and consequently to absolute beggary, for it must be obvious to every one that such a per cent. for money, under the melancholy depreciation of produce every where in the south and west, will soon wind up the affairs of such a borrower. No people under the Heavens can bear it, and unless a stop is put to it, in some way or other, I predict the western people will be in the most deplorable situation it is possible to conceive. There is another great hardship to which this debtor is liable, if he should not be able to furnish the produce, or, which is sometime the case, if it is sacrificed in the sale of it, at the time the draft becomes due, whereby it is protested for want of funds, it returns upon him with the additional cost of ten per cent. for non-payment. Now, sir, that is what is meant by domestic bills of exchange, disguised as loans, to take more than six per cent., for mark, Mr. Speaker, the Bank does not purchase a bill of exchange by paying out cash for it and receiving the usual rate of exchange, which varies from $\frac{1}{2}$ to 1 per cent., but it merely delivers up the poor debtor's note which was previously in Bank, and what is worse just as well secured as the domestic bill of exchange which they thus extort from him in lieu thereof. And while they are thus exacting this per cent. from him, they are discounting bills

for others, not in debt to them, at the usual premium of one per cent. The whole scene seems to present the picture of a helpless sufferer in the hands of a ruffian, who claims the merit of charity from discharging his victim alive, after having torn away half his limbs from his body.

The fourth charge is, *non user* of the charter. In this, that from 1819 to 1826, a period of seven years, the south and west Branches issued no currency of any kind. The gentleman admits the consequences of *non user* of a charter, by an incorporated body, indeed every tyro at the law knows this, but denies that it has any application to this case, for, says he "it is not a condition in the charter, that the Bank should issue bills from all its branches." I find the gentleman is not familiar with the charter, and if I shall be able to shew that it is a condition in the charter to issue bills at the Branches, or to discontinue those Branches entirely, when they will not issue bills, then I presume he will admit the Bank has not complied with the true end and object of its institution, and consequently comes under the penalty of *non user*. This is a much more serious charge than the gentleman is aware of, and to convince him of it, I will beg leave to read the following clause from the charter:

"It shall be lawful for the Directors of the said corporation to ESTABLISH offices of DISCOUNT and DEPOSITE, wheresoever they shall think fit, within the United States or the Territories thereof, and to commit the management of the said offices and the business thereof, respectively, to such persons, and under such regulations, as they shall deem proper, not being contrary to law or the constitution of the Bank. Or, instead of ESTABLISHING such offices, it shall be lawful for the Directors of the said corporation, from time to time, to EMPLOY any other Bank, or Banks, to be first approved by the Secretary of the Treasury, at any place or places that they may deem safe and proper to manage and transact the business proposed as aforesaid, other than for the purposes of discount, to be managed and transacted by such offices, under such agreements, and subject to such regulations, as they shall deem just and proper."

The balance of the clause points out the number of Directors, their qualifications, their manner of appointment, the mode of electing the President, and their tenure of office in the event of establishing an office of discount and deposit pursuant to the first part of the above clause, instead of employing a State Bank for the purposes of deposit only. Having a use for the foregoing extract at another part of my argument, I wish it to be borne in full recollection.

By the clause of law I have just read, it will be perceived that the corporation has two, and but two, distinct powers. First, to establish an office of discount and deposit, not deposit alone;—Secondly, to employ a State Bank for the purposes of deposit and such other business connected with deposits as may be required, but not for the purpose of discount. Now, if by the first power they establish a Branch, it is obliged, by the terms of the charter, to be an office of discount and deposit, and the moment they cease to discount, their authority to receive deposits ceases, for they are by

the law inseparable. It is the boast of the Bank that its end and object is to equalize the currency and to accommodate the whole community, and that it is not to make one part of the country supply the wants of another. If then it does not effect this, it surely does not answer the purpose of its institution. Now when an office of *discount* and *deposit* is established, its purpose is as well defined as the mother Bank itself, and to all intents must perform that purpose within its sphere as the parent Bank is required to perform her duty within her limits. This purpose is to *discount*, and to discount is to furnish those very facilities, which, in their money lending capacity, they profess to possess, and which every body knows is the principal end of their institution, and indeed, *without which*, they would not receive so vast a privilege. To stop *discounts* in the branches and continue the *deposits*, is a perversion of the law, and to that extent is not an honest *user* of their charter. Observe, Mr. Speaker, what would be the consequence of such a course.— Offices of deposit, only, would be fixed down by the side of the State Banks, and collecting the revenues of the country in State Bank bills, they would have nothing to do but to call on the local institutions and drain off every dollar of their specie to the mother Bank. Indeed, Sir, in the seven years famine of the South and West, occasioned by the hoarding of the branches which I have mentioned, they served only as leeches upon the State Banks, and as fast as they would fill themselves they dropped off to their parent monster for the purpose of emptying their distended contents into her voracious stomach, whence it was disgorged upon Philadelphia and other Northern Cities to bloat their already overgrown wealth at the expense of the South, and for *another* very important purpose which I shall hereafter show. This is not equalizing the currency, nor is it a just and impartial distribution of those facilities it was intended to confer. Nay, it was robbery of one section of country for the benefit of another.

The fifth charge is building houses to rent. The gentleman said this idea was new to him and that he would be glad if I “would shew him from Coke or Blackstone, how it can be lawful to purchase land, and not to build houses upon it and lease it.” I will shew the gentleman from the Charter, better authority than Coke and Blackstone, on this subject. Says the charter “the land, tenements and hereditaments, which it shall be lawful for the said corporation to hold, shall be *only such* as shall be *requisite* for its *immediate accommodation* in relation to the *convenient* transactions of its *business*, and such as shall have been *bona fide mortgaged* to it by way of security, or conveyed to it in *satisfaction* of debts previously contracted in the *course* of its *dealings*, or purchased at sales upon *judgments* which shall have been obtained for *such debts*.” Every one must admit that the above clause had some motive in view, was intended as a *restriction*, it seems, to guard against some dangerous consequence that an unlimited possession of real estate,

in such a vast monied institution, might produce. There are two meanings to be placed almost upon every thing, a right and a wrong one, now let us honestly enquire what was intended by the above provision? I think I discover but three things. 1st. They may acquire real estate for the *immediate accommodation* of the Bank, and as if this was not sufficiently restrictive it is added, *such only* as shall be *requisite* and *convenient* for the transaction of its *business*. On this point there can be no difficulty. 2d. Such as shall be *bona fide mortgaged* by way of security. Here too, there is no difficulty. But now commences the field of dispute. 3d. Such as is conveyed to it in *satisfaction* of debts. It is unfortunate that the charter did not specify what disposition the Bank should make of real property thus acquired. But it is perfectly obvious if they intended to confer the right of an unlimited use of real estate after acquiring it in the *course* of its *dealings* and in the discharge of its debts, it was wholly idle to have inserted the immediate foregoing clauses in the section, guarded as they seem to be by minute restrictions. There is however another provision in this charter in relation to personal property which will entirely relieve our doubts, especially when we bear in mind that the charter would not establish two different rules as to the manner of holding *real* and *personal* property. The clause in relation to their holding personal property is in the following words, viz: "The said corporation shall not *directly* or *indirectly*, deal or trade in any thing *except* bills of exchange, gold or silver bullion, or in the sale of goods *really* and *truly* pledged for money lent and not redeemed in due time, or goods which shall be the proceeds of its lands;" then the 12th section declares "that if the said corporation, or any person or persons, for or to the use of the same, shall deal or trade in *buying* or *selling* goods, wares, merchandize or commodities whatsoever, contrary to the provisions of this act, all and every person or persons so offending, &c. shall be punished, &c. Now taking these two clauses together the intention is very manifest, they may take goods in pledge or payment of debts and dispose of them by a single and wholesale contract or in parcels as at auction, but they shall not build upon such acquired goods a regular and continued commercial business. So with regard to real estate, they may dispose of it by sale to reimburse them in their loans, but they shall not possess whole cities and countries for the purpose of renting. Mr. Speaker, permit me to indulge in one reflection at this place, the application of which will presently be made, and in a case which ought to alarm every body, but more especially the Western people. We have always considered the condition of the European people and especially of Great Britain, as most deplorable, in consequence of their being tenants to great landlords. The scanty food they draw from the earth is at an enormous expense of rent, and if this country, instead of its present happy distribution of fee simple estates among the people, was in the hands of a few grandees to be rented out at their will and pleasure, and for what-

ever they might choose to enact, we would consider nothing so detestable and ruinous to the prosperity of the country. Now, Mr. Speaker, this is not only the obvious tendencies of the Bank in point of *fact*, but it is in *principle* one of the very organic elements of its constitution. MONEY is property, and in this hemisphere commands all kinds of property both real and personal, and if you would not give a single corporation, or more properly speaking a *few noble lords* the entire rental of lands of the United States, much less should you give them the entire control of all the money in the country, which will finally draw to itself all the lands of the country. In Great Britain from its immense population and the great disproportion between its necessitous people and the quantity of land, the latter is more valuable than money, because it yields a higher profit, consequently those few who hold the landed interest of that country hold the entire destinies of that unfortunate people in their possession. They are, for all the purposes of monied contributions, the slaves of the landlord, the true aristocracy of G. Britain. Is it, Mr. Speaker, in the power of any one to draw a rational distinction between a monied and a landed aristocracy? Is there any difference between a needy debtor and a dependent tenant? Are they not both equally cramped, alike enslaved, similarly spirit-broken, and under the foot of a "hard master?" If the Bank were to request, in their present application for a renewal of their charter, to be permitted to buy up all the landed property in the Union, for the purpose of erecting the British system of landlord and tenant, every body would perceive the revolting character of the demand, and scout it accordingly; and yet they are asking for ten times worse, and are likely to obtain it! They are asking to make every man in America their debtor, instead of tenant, by which all his property is at their perfect control! Now, sir, for the application of these reflections, to the case I promised. In the town of Cincinnati, I discover, by the monthly statements of the Bank itself, that it owns, besides its banking houses, valued at \$23,500, nearly one million and a quarter of real estate. This, let me premise, is greatly under its true value, for it has been received by the Bank in payment of its debts, at two thirds of its appraised value, by the law of that State, and has since risen in value, as I am told, something like fifty per cent. so that, at this time, it is confidently believed that they own three millions of real estate in Ohio. But, sir, taking the estimate as contained in their report, at twelve hundred thousand dollars, let us make a few calculations, for the consideration of reflecting men. This sum divided by one thousand, which would be a fair average of Bank debts, would make twelve hundred debtors in that town, who have been obliged to part with their homes, leaving out of view those thousands who have not yet arrived at that lamentable condition, but who are perhaps hurrying to that catastrophe as fast as the lion claws of avarice can draw them. What a reflection! But this is not all—this

73

same sum of twelve hundred thousand dollars would purchase twelve hundred tenements, severally worth a thousand dollars, and renting only for one hundred dollars each, would produce an annual rental, in this city, of two hundred thousand dollars, equal to ten per cent. interest on their capital. No wonder that they are anxious to change their money lending stock, at six per cent. into a leasing capital producing at least ten per cent, and perhaps as high as thirty. I am aware that my calculations do not correspond with the actual fact, but what is true as to the particular divisor assumed, will be equally true as to any other; for, whether higher or lower, the rent of twelve hundred thousand dollars worth of real property will be the same in twelve or twelve hundred tenements, and either is too much for any one institution to hold in the United States, especially when we remember the fate of Cincinnati may be that of every town in America. If then they are not restrained within the true intent and meaning of their charter, what is to hinder them from becoming the great landlords of this country, and what will prevent them from changing their thirty-five millions of six per cent. stocks into three times that amount, under a false valuation, of real property, yielding an income of fifteen per cent? In my humble opinion, nothing.*

The 6th charge in is in the capital stock, not having due proportions of coin.

The gentleman says, "I am wholly at a loss to understand this charge." Taking him, as I did, upon surprise, and being, I suppose a long time since he read the charter, it must have escaped his recollection how the hard money foundation of that enormous structure was laid. The 5d section of the charter requires, "seven millions of dollars thereof in gold or silver coin of the United States, or in gold coin of Spain, at a certain rate, &c., and twenty millions of dollars in like gold or silver coin, or in the funded debt of the United States. This made twenty-eight millions, which was that portion of the stock intended for individual subscribers. The gov-

*Since the above speech was delivered, a gentleman of Ohio, of undoubted respectability, writes from that State concerning the very many abuses and oppressions of the branch established at Cincinnati, and, among other things, states, "that you may form some idea of their speculations, I will mention the case of my late friend, Mr. —. He was indebted to them for himself and others to the amount of 50 or \$60,000, and possessed a large estate in the city. But by our laws real estate could not be sold unless it brought two-thirds of its appraised value, to be ascertained by a jury selected by the Marshal. A judgment was obtained against him, which bound all his property.—The Bank agent could not get a jury to value so low as to enable him to take the whole, he would, therefore, take none. Situated thus, his credit destroyed, his whole estate locked up which was not productive, thrown out of business, and a large family to support, after years of repeated efforts, he was finally compelled to make a compromise, by which he gave up a part of his estate, and for which they allowed \$50,000,—this property, or the greatest part of it, they have since sold, and estimating the residue of it at the same rates, it will produce a clear profit of more than \$50,000.

parent Bank, but is scattered all over the Union, in her several branches.

The whole of her specie in the principal, and twenty-seven branches, including the Bank in the District of Columbia, is but

	\$ 7,038,823
Funded debt, - - - - -	2,200
To which add all the tangible silver and gold now circulating out of the Banks, in the United States, which is estimated at - - - - -	14,077,646
Add <i>Bills</i> due her from other Banks, - - - - -	2,171,676
Add <i>Debts</i> due her from other Banks, - - - - -	1,993,744
Add her Contingent Fund, though I do not understand its nature, - - - - -	2,114,365
	\$27,398,454

Now, Sir, this is all the immediate available cash fund, in the power of the Bank to wield, upon a sudden emergency; and it is seen that one impossible item is allowed—that is, the whole of the circulating gold and silver currency in the U. States. When this, and the scattered condition of her own specie is considered, how is it possible for her to meet the following debts, if immediately pressed—to wit:

Bills issued, and now in circulation, - - - - -	24,630,752
To which add public and private deposits, - - - - -	17,997,689
Add Baring & Co's debt, and Dividends unclaimed, - - - - -	1,512,665
	\$44,141,106

The Bank cannot make specie in the country, the deception is in promising to pay specie. The best financiers calculate that there is but about fourteen millions of specie circulating in the country, out of the Banks, and if the Bank of the United States could lap up every dollar of these, could insert its proboscis into those leather purses that have for many years concealed from the light of day dollars that have "grown dim" with age, it could not according to the usages of merchants meet its engagements with that promptness which is the arterial circulation of commerce. This is what I meant the other day by saying the Bank was *broke*. I did not intend to use the term in its *popular*, but in its commercial sense. I know too well its immense resources to believe it is unable to pay, the Government deposit, will uphold her. It has been too long wringing from the community, the fat of the land, to be what would be termed insolvent. I only wish to warn the nation that her late trading, as well for the purpose of making friends, as for money speculations, especially in specie, as will be hereafter shown, has carried her over the boundary of safe transactions, and she relies upon

getting back by the indulgence of the Government and that most desired of all objects, a new charter. And I make this remark which I hope will be well remembered, that when that is accomplished, and she makes the rebounding effort to gain her former position, it will be a spring that will crush its thousands to death. Many a Nabob has broken full handed. Many a gilded sign hangs before a rich ware-house, *all* in confusion. And, drawing a figure from that best of books, the whited sepulchre is filled with dead men's bones.

The seventh charge is Foreigners voting for Directors, through their Trustees.

The gentleman states that he "knows nothing of this charge. But the fact can easily be ascertained from the Bank itself." This may or may not be the case. Books may show one thing, but oral testimony another, and the very object of an enquiry is to procure evidence of not only that which appears, but that which does not appear, and the last, always haunting secret places, can only be reached and searched through the powerful agency of an oath. The gentleman adds—"It may be, that stock has been owned by a foreigner, and yet held in the name of some citizen of the U. States." "This," he continues, "is no abuse for which the Bank is answerable, unless the Bank has been conusant of the fact, and had the power of correcting the abuse." To this, I most cheerfully acquiesce—but, for the best and most obvious reason, that of not having such a tremendous institution, the monied lever of the nation, under the direction of foreigners, who, in time of war, might paralyze the whole machinery of Government, it is wisely provided, in two places (as if one was not enough) in the Charter, that no foreign Stockholder shall vote in the choice of Directors. And, so anxious is the Government to prevent the exercise of this dangerous influence, that, by an act of Congress, passed in 1819, some restrictions are imposed upon the managers of elections, as well as the voters, strengthened by two solemn oaths, intended to prevent a violation of these clauses of the Charter. If, then, there are any secret trusts, as the gentleman insinuated, it appears to me, unless the persons concerned are of the most depraved order, they could be brought to light by virtue of the strong obligations just referred to. It is very evident the books will not show these secret trusts, but it is not so clear the officers cannot: it is a most dangerous mischief, and well worthy of investigation.

This finishes the consideration of those grounds affecting the integrity of the Charter, and which, if established, will amount even to a forfeiture of its privileges, much more its claims to renewal.—I shall now proceed to the abuses of the Charter, amounting to such breaches of good faith as ought to destroy all future or further confidence in its operations.

Before, however, I proceed to this branch of the subject, I hope I may be indulged with a few more reflections, connected with the facts I am about to offer:

who hold their offices by the voice of the very men whose conduct it is their duty to watch with unceasing vigilance?

The gentleman is much surprised at the charge of a strong *suspicion* of a secret understanding between the Bank and brokers, to job in stocks contrary to the charter, and wishes me to give up the witness. Grant the hearing first, and then we will see how far the fact can be established. All criminations are mostly made upon suspicions, but it is very unusual for the accused to say the charge is false, but I do not wish to be tried. The gentleman says we are the guardians of the Bank, and should protect it from a charge which is calculated to destroy its credit. It is very true, sir, we are the guardians of the Bank, but it is equally true we are the guardians of a much higher interest,—that of this vast community,—and the best protection we can afford *them* or the Bank, is to give the latter an opportunity to wipe off all *suspicion* as to its conduct, and entitle itself to the greater confidence of the former. Does it want any other protection than this? As to the credit of the Bank resembling female chastity, it is a most unhappy figure. Depend upon it, the Bank is no virgin, and is greatly more like the “Whore of Babylon,” than the Diana of Ephesus.

The objection against the Bank on account of subsidies and loans to printers and others, was so ably explained by my colleague, (Mr. Foster,) that I shall not attempt any thing further on this point.

The gentleman treats the charge of the Bank's making a distinction in selling bills of exchange very unceremoniously, by barely saying it is unfounded. Now this charge is met exactly as all the other charges ought to have been. It is the general issue of *not guilty*, and the next thing is to proceed to trial. But to say not guilty, and then to walk right off from the investigation, is falsifying the plea, and leaves a strong conclusion of guilt. If the gentleman is satisfied with this mode of answering accusations, I am sure I ought to be. But the truth is, and can be established, that some of the customers of the Bank have obtained favors and loans at a very different per cent. from that of others. Her limit, by law, is six per cent.: she has been known to lend at four, at a long credit, and has divided seven to the stockholders. Depend upon it, some one has suffered in such a curious combination of figures!

The charge of inducing local banks to clamor for a renewal of the charter, is passed over with the same kind of indifference. I will have the candor to own that this rests in conjecture; but when I see not more than one local bank in ten asking for the continuance of a monster whose keeper has said it can crush them whenever it pleases, and when I see the other nine tenths dreading its power and desiring its subjection, I feel a great curiosity to learn the cause; and, perhaps, when an inquiry is made into the debts due by some, and the stock owned by others of these petitioners, the mystery will all be explained.

Though the gentleman says that an inquiry into the actual man-

agement of the Bank, to see whether safely and prudently conducted, contains no charge, yet he will admit it has some reason; and when I ask him if he would give a new lease for twenty years to his tenant, without inquiring into the manner he had treated his lands under the old one, will he not perceive that I am asking him to do for his country what common prudence dictates he should do for himself? What merchant does not occasionally take an account of stock, that wants to know how his affairs stand, and in so great a matter as that of re-chartering the Bank, is it possible that we should evince less vigilance and caution than is manifested in the most ordinary concerns of life? My wish is to know the true situation of the Bank. To let the community know it. To ascertain her debts and credits and how much she has lately increased the former and why? If reports be true, her issues have been a million a month for the last nine months, and it is very important to know whether she has the ability to sustain such liberality, especially, if an act of justice to the Southern States, in the reduction of the revenue, should compel a withdrawal or diminution of the public deposits.

With regard to the allegation that the Bank has made excessive issues on the faith of public and other deposits, the gentleman says, if it is obnoxious to censure in this respect, there is no Bank in the whole Union that can escape condemnation. I would appeal to the good reason of every one, if the conduct of one person should be justified by that of another, and if, as has been the fact, the necessity of this very Bank has been claimed upon the ground of excessive issues of the local Banks, it is right on her part to commit the same identical sin? With but seven millions of specie, and that divided into so many parts and scattered all over the Union, where it is obliged to remain to answer the demands which may, at short periods, be made upon it, a sudden withdrawal of seventeen millions of deposits would as certainly occasion the Bank to stop payment as that one dollar can not pay a debt of two. It is a well known fact, that the Bank of England had six times as much specie, in proportion to its capital, as the Bank of the United States now has, when it refused payment, and such was its influence over the Government, not greater, however, than is at present exerted by this Bank, that it obtained relief by an act to suspend specie payments. When will nations benefit by experience?

I come now to the charge which relates to the gold and silver that has been sent from the South and West, through the agency of branch orders, and before I answer the gentleman's argument on this point, I will present some facts from a document lying before me, as to the amount and the time of its withdrawal. The branch orders commenced issuing on the 1st of July, 1827, and during the year ending on the 1st of July, 1828, \$737,887 was carried to the mother Bank; the next year, \$1,615,457; the next year, \$2,177,136; the next year, \$2,461,000; and for the last six months, ending 1st of February last, \$1,326,303: making in the whole, the

enormous sum of 8,517,790 dollars, in the short space of four years and six months. What country can bear this. As long, Mr. Speaker, as the branches would issue their own bills, which would circulate around the Bank and would pay them off with specie when demanded, the local Banks, to use a homely phrase, had a "living chance." To illustrate this matter, suppose a branch and a local Bank side by side, and with equal capital: If they transacted any thing like an equal business, they would receive each other's bills in such an equal degree that upon making their weekly settlements there would scarcely be any disturbance of their hard money boxes. But all at once the branch, having a parent of inexhaustible wealth and unlimited credit, a thousand miles off, takes it into her head, not to issue any more bills of its own payable at home, but to draw checks or drafts upon this Mammon Mother, in such small amounts as would scarcely ever reach her, and, of course, under this arrangement, having no further use for her specie, sends it all off to this same mother Bank. What is the consequence of this artful device? The local Bank continues its business upon the faith of its specie, against the branch Bank, having no specie and indeed wanting none, and who has transferred it beyond the reach of the local Bank, it follows, as an inevitable consequence, that at the end of every week the branch calls upon the local Bank to redeem its bills taken in payment of their own and the Government debts, and by this process gradually drains the local Bank of every dollar it receives. By way, Sir, of shewing you the effect of this thieving artifice, just let me give you the statement of the Fayetteville branch as contained in the monthly statements for December last, premising that it is a fair sample of all the Southern and Western branches:

Specie on hand	\$18,943
Notes issued, nearly half a million of which are branch orders,	1,141,030
Deposites on account of the Treasurer of the U. States,	26,098
Deposites on account of public officers,	21,196
Deposites on account of individuals,	40,482

One million and a quarter of paper to be paid with about **NINETEEN THOUSAND** specie dollars!! Wonderful! Not as much hard money as perhaps hundreds of sugar planters might draw from recesses which have not been blessed with the light for the last ten years. Now, Mr. Speaker, let me present you with another picture to shew you where the specie has gone. And I shall take the statement for the month of July as being a fair average of the amount of specie held by the Banks, hereafter mentioned, in each month of the whole year, and because, since that month, vast quantities of specie have been exported by the Bank to England for a purpose which shall be presently shewn, and vast issues of bills have been made also since that time to quiet *fast* friends and to make *new* ones:

Specie at the parent Bank, Philadelphia, - - -	\$3,660,349
Notes issued at same place, - - -	2,556,997
	<hr/>
Specie more than notes,	1,163,352
	<hr/>
Specie at the Branch of Boston, - - -	1,005,820
Notes issued at same place, - - -	664,360
	<hr/>
Specie more than notes,	341,460
	<hr/>
Specie at the Branch of New York, - - -	2,226,429
Notes issued at same place, - - -	1,702,657
	<hr/>
Specie more than notes,	523,772
	<hr/>

Now sir, behold the operation of these branch orders combined with other causes which shall hereafter be noticed to draw off the silver from the extremities to the centre. The extremities, unfortunately, are the parts where life generally begins to ebb, and in this ease it has been wonderfully true, for while the heart, the centre of life has been throbbing with a force that has thrown off its millions to Europe, the south and west have been shivering with cold feet and hands, the sure prognostics of approaching death. Let me just call your attention to one single feature, while looking upon these two pictures.

Fayetteville, a mere village compared with New York and Boston, issuing nearly as many bills as the former, and almost twice as many as the latter, and that upon *nineteen* thousand dollars specie! Who could believe it? But, Mr. Speaker, I promised somewhere in my argument to shew you, besides the fact that the specie was drawn from the south and west to pamper northern cities, that there was another most outrageous design for this robbery. The northern wars in Europe have produced a great demand for specie, so that it has sold in England from four to six per cent. during the last year. The United States Bank has shipped to that market upwards of five millions of Specie, and after selling it, at the per cent. mentioned, has drawn bills of exchange upon the funds received for the specie at the enormous premium of eleven per cent. making by this double operation not less than sixteen per cent.

Besides the fraud upon the south and west, besides the injury to the general wealth and resources of the country, what has been the consequences to the commercial interest. Such was the quantity of money in the North at one time that interest had fallen to four per cent., since which it has risen to twelve. The late excessive issues bottomed upon such a scanty specie foundation has produced alarm and the consequence is, discounts have stopped suddenly, and left commercial establishments in the most perilous condition, so that you may look out for heavy failures. In the west, orders

have been given not only to stop but to call in; and in the town of Louisville, it has produced such a panic that the people assembled with flags and drums to betoken their indignation at such wanton disregard of their condition, brought about by the Bank's own previous seductive indulgence. And this opening and contracting character is often regulated by individual and private speculations. For instance, Directors, and there are many such in every Bank who entirely control its operations, finding that there is a great accumulation of produce in the town where the Bank is located, suddenly close their vaults against customers, by which they exclude competition from the market and then with funds which they can readily command become the sole beneficiaries of a sacrificed trade. This is believed to be the case in Louisville, by reason of the vast quantities of produce locked up there this winter, by the ice. But let it proceed from either cause, it shews that there is something wrong in the workings of the Bank. But the gentleman says that in nothing am I so much mistaken as in supposing that the branch Bank orders have served to drain the specie from the south west, that instead of this nothing has been more servicable to us, and yet, in his late bill he recommends this very currency to be abolished. It is owing, he says, entirely to another cause, and then gives an instance of the process, as he conceives, that works this mischief. He first premises, and in this I most cordially agree with him that the balance of trade is greatly against us by reason of an oppressive, and I will add dishonest protective system, under the insidious garb of revenue. And that whenever this is the case the specie that goes off never returns. He then puts the case of the western farmer who sells his stock in Savannah or Charleston, and not wishing to trade at either place, purchases from the branch Bank, bills of exchange on the north, this operation he states is calculated to keep the specie in the south, for otherwise they would carry it off from the local Banks, and consequently sets it down as a great advantage to the South. But, he continues, the great drain is from this cause there is more public revenue collected in the South than is there disbursed, and consequently is obliged to be transferred elsewhere to meet the government engagements. The Bank is not the cause of the evil but the mere instrument of the government in making these drafts. He supposes the revenue collected in the South to be 3,000,000 and the disbursements of the government half a million, the balance therefore must be drawn somewhere else to be applied to the wants of the government. This transferring of the revenue from place to place he maintains cannot be done by the local Banks. Now let us examine all these positions, premising however, that his assumed amount of revenue and disbursement in the South is very far from being the true state of the fact. for the income of the government is less and its expenses much more. To guard against the constant draft which the branch banks make upon the local banks for their specie the latter have been obliged to supply themselves with funds in the Northern Banks upon which they occasionally draw in favor of the former to keep their gold and silver at home. Now, if the gentleman, to use his own words had gone a "little deeper" into this matter he would have found this to be the exact process of money drawing, and instead of a benefit is a most essential injury to

he South. Take his own case, for instance, the Western farmer sells his stock and receives its value in the bills of the local banks, he goes to the branch bank to buy a bill of exchange,—that Bank takes his money right away to the local bank that issued it, either receives the silver or gold for it or a draft upon the North as I have before stated. If the latter, they make the local bank discount one per cent. With this bill they return to the aforesaid farmer and make him pay 1 per cent. premium, and this is not all, they make him pay one half per cent. premium for having taken his local bills, which they had, before his face, carried to the local Bank, and, with which purchased a bill of exchange. Thus they make $2\frac{1}{2}$ per cent. at the expense of the local Bank.

It is a notorious fact they do not buy and sell by the same measure. A Western Branch advertises that it will either buy bills at a *discount*, or sell them at a *premium*! What would be thought of a farmer that bought and sold by different weights and measures? The morality of Banks, if applied to the concerns of society, would resolve it into a den of swindlers.

The usual dealing is this. The branches sell United States bills at $\frac{1}{2}$ per cent. *premium*, they collect the State Bank bills and demand the specie of them weekly, which they must pay or give checks on the North at $\frac{1}{2}$ per cent. *discount*. These checks the branches sell at $\frac{1}{2}$ per cent. *premium*, having pocketed $\frac{1}{2}$ on their own notes, $\frac{1}{2}$ from the State bank and $\frac{1}{2}$ from the merchant. When these facts are carefully examined, does not every body perceive that the local Banks are made the instruments at last, by which every thing is done for the government which is imputed to the United States Bank? How does the surplus revenue, of which the gentleman speaks, and which he says is the cause of draining the specie from the South and West, get to the places at which it is wanted? Specie must be transported in waggons or ships. Can not the local banks have it carried as well as the Branch Banks? Is it not now carried by the profit made from them in the manner I have described? If they now have funds in the North upon which they can and do draw, at a loss, what is to hinder them from having even more, if they had the government deposits? Why may they not do that *directly* which they are now made to do *indirectly*? The branch Banks have no specie, as already shown; they draw their specie from the State Banks, and make them pay for sending it to the North. Now, in the name of every thing that is reasonable, could not the State Banks do it themselves?

Mr. Speaker, a most prodigious character is given to the United States Bank for its great credit throughout the Union, nothing is so much spoken of, and yet, strange as it may appear, nothing is so unfair and so undeserved. Permit me to tell you the whole mystery of this matter. It is nothing under heaven that gives this bank such a name but two provisions in the charter, which, taken out, would sink its credit to a level with the meanest local bank in America. First, the government receiving all her dues in the bills of that bank, and second, depositing all her revenue in the same. Now sir, I affirm, borrowing the idea from a late forcible writer, if the government will do these two things for the meanest beggar, that crawls in tattered rags through this city, he would have directly the same credit that the United States Bank has. Just let the government proclaim to the nation that it will receive the notes of such a person as I have described to the amount of 25 millions in payment of its debts, and that it will indorse the same, and put all her money in his possession and he forthwith goes abroad with the whole of government credit with him, and this is precisely that which is imputed unperceived to the Bank. Why then, if given to local banks, should not the same result be expected? They are managed in the same way, with men of equal skill, of equal integrity, and with the same science and materials. Does any one believe if Pennsylvania, without any aid from the General Government's credit, had

set up such a Bank as that now in Philadelphia, it could have acquired the same credit? Why does not the other Banks in that State possess it? Surely in that great State all the banking wisdom and honesty have not got into the United States Bank alone? But notwithstanding all this advantage is given to this great Bank, there are other Banks in the Union almost of equal credit. I discover by the directions of the Treasury Department, that the Receivers of Money, even in Mississippi and Arkansas, are instructed to receive the bills of the State Banks of Boston and New York. If these can be made to answer the purposes of the Government, why may not well regulated Banks of other States do the same thing? The truth is, Mr. Speaker, every thing in the South is distrusted; there is not that confidence and respect, such as ought to exist between sister States, extended to that region, and it is growing more manifest every day. The local Banks there, as well as in the West, have been treated with great ingratitude. While they strained every nerve to support your last war, lent to the last dollar, behold the North was clinching her gold and silver as though it were in the claws of an eagle—not a farthing was lent. They wept when you were victorious, and shouted when you were vanquished. *They* boasted of their gold while the *South* and *West* triumphed in their victories. After the war, when that portion of the country, which had to support it with their lives and money, come to count the cost, it is true they found themselves embarrassed, as was to have been expected from the excessive sacrifices they had been compelled to make. The issues of money had been immense, but it was for a generous and noble object. Such another state of things can never again occur in this country. It is fondly to be hoped that one part of this nation will not have to fight the battles common to all and to exhaust themselves to support the honor and interest of a Government, the maintenance of which involved an equal obligation from the whole community.—It was said the currency was deranged and that an United States Bank must be chartered to restore it to soundness. And having said this, it is now believed, that that Bank is entitled to the credit of establishing it. Nothing is so erroneous. The Bank never went into operation till the year 1817. In two years thereafter it was pronounced insolvent by a Committee of Congress. In July, 1827, the branch orders commenced to issue, which Mr. Biddle declared, in a letter, dated January, 1828, to Mr. Rush, was obliged to be resorted to, or to give up the Bank. Listen to his own words:—"The institution found itself in a position where it became necessary either to RENOUNCE the great purposes of its creation, or to seek, among its other acknowledged powers, the means of accomplishing them." How could it have restored the currency to soundness if all the time it was struggling as in a case of life and death? Crippled from the beginning—at its last gasp in 1819—but barely crawling on to 1827, and yet the great restorative of the currency of the country? The thing is too unreasonable. No, the truth is, it is the cause I have mentioned—it is the Government's credit and her twenty-five millions of dollars thrown into the scale of this distempered monster that has enabled it to weigh down the State institutions.

The two last charges may be taken together; they consist in establishing agencies in different States without authority, and employing State Banks to transact their business without the consent of the Secretary of the Treasury.—The gentleman says he is wholly ignorant of any provision in the charter which forbids such agencies, nor does he exactly understand what I mean by the last objection. This is not my fault, but I think I have shewn by a clause from the charter, that the only powers the Bank has, on this subject, is to *establish* a branch, with a President and Directors, for the purposes of *discount* and *deposit*, or to *employ* any other Bank to transact its business other than that of discounting. Having specially provided two ways, all others are excluded; there is no authority to appoint agencies, and neither of the foregoing methods will, in the remotest degree, admit of that construction. The last ground is a sim-

ple affirmation which can easily be disproved by shewing the consent of the Secretary of the Treasury to employ such Banks as are transacting their business. The requisition on the part of the charter is a very wholesome one, for the Government ought to know what local Banks are permitted to take charge of their immense deposits.

I believe, Sir, I have now gone through all the arguments of the gentleman founded upon the charges in their regular order. Before, however, I take my final leave of him, I must advert to one suggestion, which, from its nature, was intended to be addressed to our sympathies; and, as I am one who have ever believed, that one touching sally upon the passions, overpowers a thousand dry argumen's. I always leave the latter to dislodge the former. He said, "A large portion of the stock of this institution belongs to the widow and the orphan; in many instances, perhaps, their sole support and inheritance." I believe nothing could be of more service to this description of persons than a dissolution of this institution. When the old United States Bank wound up its business, and made a final division, each Stockholder had returned to him not only the full amount of his shares, with eight per cent. interest per annum for the whole period of its incorporation, but he had paid to him *one kuadred* dollars to the share besides—that is, his money was doubled, exclusive of the interest. There is no manner of doubt that such would be the result at the expiration of the present Charter. This doubled amount could soon be vested in other stock, and their means of support consequently increased one hundred per cent. And, Mr. Speaker, this would be no common support, either; for I find, upon examining the list of Stockholders, there are upwards of forty widows who own over ten thousand dollars each, and several as high as *fifty thousand*. Concerning these last, I hope the gentleman will give himself no uneasiness; for they can assure him, in any event of the Bank question, they will remain pretty good *game*, for the pursuit of ANY WIDOWER whatever. But, Sir, while he is manifesting such sensibility for these destitute persons, let me shade his portrait a little by a sombre color, which I can employ from another class of Stockholders in this same Bank:—The real Stockholders are not *American* Widows and Orphans, but *British* Lords and Ladies—*British* Naval and Military Officers—*British* Clergymen and Country Squires—and, Sir, for your exquisite delight, permit me to read a few of their names:

Baring, Brothers & Co., London,.....	\$791,500
The Most Honorable the Marquis of Hartford	100,300
The Right Honorable Sarah Countess Dowager of Castle Stuart..	10,000
Sir Colin Campbell and Sir Richard Hunter.....	37,100
Right Honorable Lord Henry Viscount Gage.....	12,000
Honorable Hudson Gurney, Member of Parliament.....	50,000
Sir Robert Harvey.....	19,500
Sir William Keppel, General in His British Majesty's forces, Knight of the Grand Cross of the order of the Bath	72,200
Major General Maister.....	9,000
Sir George Nugent, Baronet.....	20,000
J. Packwood, of the Royal Navy	8,000
Sir Marmaduke Warren Peacock, Lieutenant General, &c.	50,000
The Earl of Beauchamp	15,000
Sir Gilbert Sterling	10,000
Lady Sarah Stuart.....	31,300
Sir Grenville Temple	20,000
Augusta Countess Dowager Van Pollant	4,200
The Earl of Levin	50,000
Major General Macdonald	64,900
Lieut. General Sir Thomas Bradford	4,000
Sir William Keeth Ball, Baronet.....	30,000

Lord Erie Beery	60,000
Mrs. Ann Redfern.....	70,160
Abel Smith, Esq	100,000
Sir Edward Tucker	50,200
Jonathan Austin, Esq.	120,000
Major William Davis.....	20,000
Reverend Arthur Dean.....	7,100
Reverend Philip Fletcher.....	20,000
Reverend George Gordon.....	30,110
Mr. Benjamin Heywood	178,400
John Marshall, (London)	123,600
James Drake	100,000
John Marshall	264,200
Lieut. Col. John Maxwell.....	64,900
Sir Robert Wilson	15,000
Lady Rosebella Wilson	15,000
And last, though not least, Mrs. Candelaria Bell	63,730

Whose fanciful and beautiful name I hope will be remembered by some gentleman of the Turf, when he comes to christen his next female Racer. In all, upwards of 400 in number, and holding Stock to the amount of 8½ millions, besides what is in the hands of *Trustees*.

I have some additional charges to make, Mr. Speaker, in reference to the conduct of the Norfolk Branch. There stands an item of forty thousand dollars on the monthly statements to the debit of the late Navy Agent, which, as I understand has occurred in consequence of the cashier's permitting him to overdraw the funds of the government placed to his credit in that Bank. And that these overdrafts have been further occasioned by this very cashier's purchasing the checks of the Navy Agent at a discount, and applying the proceeds to his individual profit, which speculation was brought about by telling the holders of these checks that the Navy Agent had no funds in Bank, but that he would pay them off for a premium, and that he did so to a very large amount.

I have the evidence before me, which I beg leave to read from the report of the late Secretary of the navy, that this same cashier charged the government two per cent. for ten thousand dollars specie, which it wanted for a South American expedition. [Here the extract was read.] On another occasion the government wanted twenty thousand dollars, and the same cashier demanded one half per cent. but that premium being refused, the money was not had and the State Banks supplied it without any charge. Now to a government which has generally ten millions of her money upon deposit in this institution, and whose wants, by the very terms of the charter, are to be supplied at all places, it is well worthy of knowing the reason of this extraordinary demand, especially, when I tell you it was made contrary to the will and wishes of the Directors of that Bank. The President of the mother Bank disavows most positively that the institution in any of its relations ever interferes in politics. He knows that such a vast monied establishment with its five hundred officers, and million of debtors could exert an influence in this government calculated to destroy its independence and hence he has in a late *private* letter written for *publication* in a newspaper, which I have before me, utterly disclaimed any concern in the elections of the country. Now sir, although I do not wish to abridge any of the rights of the citizens in this free and happy country, and I am perfectly willing that every man in it, or in any office belonging to it, should exert all the influence he has *personally* in the whole round of its affairs, yet I do not think it prudent that he should bring to the contest, either the weight of his office, or the superior control of his money, much less do I desire to see the avowal of principles, for a secret purpose, that stand contradicted by actual facts. Now sir, the private letter to which I have alluded is not, in point of fact correct. The President of the

Norfolk Branch did in person attend the polls, at an election for the members of Congress, challenged the voters as they came up to the clerk's table, some he changed and when reproached for his conduct he stated he was indifferent as to the candidates individually, but he stood there opposed to General Jackson. This course of conduct produced great excitement which terminated in a fight between the President of the Bank and the person who reproached him immediately in the presence of the managers. Perhaps it may be said the Directors of the mother Bank, know nothing of these last charges; I answer sir, that the whole of them have been laid before the directors at the central institution and pressed with much earnestness by one of the largest stockholders in Virginia, whose information so far has received little or no attention.

In conclusion, Mr. Speaker, I offer one more reflection. It is aptly said by some writer, that the financial system of this country represents an inverted pyramid. Six thousand millions of property, and all the enterprizes and interchanges of the country resting upon sixty millions paper dollars, which are themselves depending upon about fifteen millions of specie. And all this under the *exclusive* control of one grand, regulating, central machine, whose whole operations, and all its immense profits, belong to a highly favored few. I have done for the present, but the half has not been told which belongs to this important subject.