Concluded from fourth page.

This is the Senator's sovereign panacea for regulating the currency of the country and restraining the extravagance of the State banks. I admit that the true issue now before the country is between an Independent Treasury and a National Bank.—"The Pet Bank" deposite system has been such an utter failure, that another resort to it cannot be seriously contemplated by any considerable portion of the American people. I feel the utmost confidence in the success of the Independent Treasury, should the law be ably and efficiently executed; but should it fail, the next experiment will doubtless be another Bank of the United States.

Waiving, at present, the constitutional question on which I have often expressed my opinion before the Senate, I propose taking up the Senator's argument, and prove that such a bank would not regulate the currency if it could; and that even if it felt the will to do so, it is entirely destitute of the power.

Would such a bank, then, if it could, control and regulate the loans and issues of the State banks? In the affairs of human life, if you expect one agent to restrain another, you ought to render their interests conflicting. This proposition is emphatically true, when such agents are banking corporations, intent upon declaring the largest possible dividends among their stockholders. Now a Bank of the United States, so far from feeling any interest adverse to the State banks, would have the very same inducements with them to make extravagant loans and issues. The duty of such a bank, as a regulator of the currency, would be directly at war with its interests as a banking institution. You cannot raise men above the selfish passions of their nature, by making them directors and stockholders in a Bank of the United States. When their interest as bankers conflicts with their duty as regulators of the currency, the history of mankind points you to the probable result. Like the State banks, they will always extend their loans and their issues, whenever they can do so without endangering their own security. This is the powerful instinct of self-interest. It is absurd then, to expect that the president and directors of a Bank of the United States will ever become safe and efficient regulators of the currency, in the very face of their own interest as stockholders. It would be easy for me to prove, from historical facts, that neither the former nor the present Bank of the United States ever did exercise a regular and efficient control over the issues of the state institutions. On the contrary, whenever their interest impelled them to extend their own issues, they have pursued this course; and thus, instead of checking, they have given loose reins to the State banks. Both the Bank of the United States and these banks have thus together rushed on, and with united forces have ministered to that spirit of overtrading and extravagant speculation which has so often desolated our country. Time will not permit me to do more than refer to the vast expansions of this Bank in 1817 and 1818, in 1823, in 1831, and in 1834. These produced ruinous contractions and universal distress. I think I may affirm, with perfect safety, that at each of these periods, instead of restraining the State banks, it took the lead. Has it ever preserved the State banking institutions in a sound condition? Let Mr Gallatin answer this question. He says one hundred and sixty-five of our banks brok between 1811 and 1830; and during the greater part of this period, we all know that the present Bank of the United State was in active existence.

My great object, however, at this moment, is to prove, the present condition of the Bank of the United States, how hopeless it is to expect that any similar institution can ever be relied upon as a regulator of the currency. That Bank still exists if its present occasion may be called existence; and this is the first occasion on which I have ever known the Senator to be guilty of ungratefully abandoning an old friend in the hour of calamity. Before I take my seat, I shall endeavor to identify the gentleman and his party with this institution. They were lovely in life, and in death they shall not be divided."

It is said that the Bank of the United States is now but a mere State institution. But is its character changed by changing the source whence it derives its charter; Is it not still the same institution that it ever has been, with the same capital, the same directors, the same stockholders, and until very recently, has it not been governed by the same controlling will? Has it not been exultingly proclaimed by its former president, that it now has a much better charter from Pennsylvania than that which it had received from Congress? This is strictly the truth; for such a charter as that under which it now exists was never before granted to any banking corporation, either in England or this country. The United States, it is true, ceased to be a stockholder; but it enjoyed the privilege of selling their seven millions of stock, for which it could have procured, and doubtless did procure, a large advance.

From the very nature of things, this vast monopoly, with a capital of $35,000,000, could not have become a State institution. A single State, with more than a sufficient number of State banks already in existence, could not have furnished employment for its immense capital. It would have starved within such narrow limits.

Did it, in point of fact confine its operations to Pennsylvania? No, sir; it aspired to regulate the currency and exchanges of the whole Union. This was the high political duty to the performance of which it proclaimed itself destined. To tell me that this Bank all at once changed its character and became a mere State institution, merely because it had received a charter from the Legislature of Pennsylvania, is to deny the evidence of our own senses. Was not the currency issued under the new charter as well as that under the old, declared, in 1836, to be the best currency which the world had ever seen? Did not the new notes command the same premium, all over the Union, with the old ones; and would they not still continue to command the same premium if it had not fallen—fallen from its high estate?

Why, sir, it became, in fact, more a Bank of the United States after it received its Pennsylvania charter than it had ever been before. It bought up State banks and converted them into branches, in Louisiana and in Georgia; and it shot out its branch agencies over the whole Union. In New York it has established a branch bank, under their free banking law.

Since its new charter not content with the whole United State as the theatre of its operations, it has established an agency in England, and aspired "to beard the lion in his den," and to become the rival of the Bank of England in London itself. It scorned to confine itself to banking operations alone: but has invaded the province of the merchant, and has attempted to monopolize and regulate the whole cotton trade between Europe and this country. And yet this Bank is now said to be a mere Pennsylvania institution.

Now, Sir, I would ask the Senate, is there the least reason to believe that if this bank had continued to be the depositary of the public revenue until May, 1837, that its fate would have been averted, or that we should not then have had another general suspension of specie payments? Why, sir, the public deposites would have added fuel to the flame; and would have tempted the Bank to engage in a still wilder speculation. The overbanking and overtrading in 1836, which were conducted under its auspices, would have become still greater—the expansion would have been still more extravagant—the bloated credit system, which enabled us in that year to import foreign merchandise to the value of nearly one hundred and ninety millions of dollars, might have raised our imports up to two hundred and fifty millions: and the catastrophe which followed would have been still more dreadful.

In order to repair its former fortunes, true to the bent of its nature, this bank has since proceeded from one extravagance to another, until now it is almost a heap of ruins. Instead of controlling and regulating the other banks of the country, it has notoriously been the chief, nay, almost the only cause, of the existing suspension of specie payments. The glory of which its friends now boast is, that it has been able to borrow £800,000 sterling, at an extravagant rate of interest, from private bankers in England, to save it from immediate bankruptcy and ruin. Alas! how are the mighty fallen!

And it is by the creation of another such institution that the Senator seeks to regulate the currency, and control the bank issues of the country! Why, this is faith against fact; speculation against experience. This would be to adopt, as our grand regulator, an institution precisely similar to that which has been the great author of our vast bank expansions, and our bloated credit system; and which has fallen under the weight of its own extravagance. With all the experience which the people of the United States have had upon this subject, it will be long, I trust, very long, before they return to a Bank of the United States.

But I proposed to prove that, even if a Bank of the United States had the desposition to restrain the loans and issues of the State banks, it would not possess the power. I suppose a case for the sake of the argument, which can scarcely ever exist, because, as a regulator of the currency, it would have a duty to perform directly at war with the interest of its stockholders.

The only mode by which it has been thought that this object could be accomplished, was for the Bank of the United States, confining its own business within safe and proper limits, to receive the notes of the State banks on deposite and in payment, and to call upon them at short periods to pay the balances in specie. But, in the nature of things, it would be impossible for such a bank to receive the notes, and restrain the overissues of more than a very few of the eight hundred banks, which are now scattered over this country. Each of these banks has its own limited sphere of circulation, and they are not compeled to receive the paper of each other. In point of fact, this is not generally done; not could any Bank of the United States be required to receive all the notes which these eight hundred paper manufactories are constantly pouring out upon the public. From the law which regulates currency, that which is the worst, has always the most extensive calculation. Individuals will always hold fast by the gold and silver, and pass away the bank notes; and of these notes, they will pay out the doubtful, and preserve those which are above suspicion. No Bank of the United States, however great its capital, and extended its powers, could ever reach the evil. It could never transact business with one bank in ten, I might say in twenty, of the whole number.

But it is in vain to speculate upon this subject. Experience is the best teacher. One fact is worth one hundred arguments. Independently of the adverse experience of our own country, the experiment has been tried by the Bank of England under the most auspicious circumstances, and it has utterly failed,

The real capital of the Bank of England is about seventy millions of dollars, and it has ten branches at the most commercial and manufacturing points of the kingdom. In 1836, the rate of foreign exchange was largely against England. The specie of the Bank was, therefore, gradually drawn from its vaults for exportation. It became necessary, for its own salvation, that it should make a vigorous effort to diminish the amount of the circulating paper medium, and thereby restore the equilibrium of the foreign exchanges. The bank credits and currency of England had become so inflated, and, in consequence, the prices of all articals had advanced to such a standard, that, to use the language of one of their own statesmmen, it had become the best country to sell in, and the worst country to buy in, throughout the world. It was profitable, therefore, to import every foreign production which could be admitted to entry, and on account of the high paper prices of their domestic productions, their exports were greatly diminished. The consequence was, a continued and ruinous drain of specie from the Banks of England to adjust the balance of the trade against that country. The bank well knew that, if it could limit the amount of the paper circulation, it would reduce the price of their home productions in the same proportion, and thus render it profitable for foreign merchants to export British manufactures instead of specie.—For this purpose it contracted its loans and issues, in the vain hope that the joint stock and private banks would be compelled to follow its example. In our slang, it put the screws upon them. What was the result? I shall not enter upon a detail of particulars. It is sufficient to say, that, as it contracted, the other banks of the kingdom expanded their loans and their issue; and that, too, in a greater proportion than its loans and issues were diminished. Prices still continued to rise, and bullion still continued to be drawn out of the Bank for exportation. The utter importence of this grand regulator of the currency to control the other banks and keep the paper currency of the kingdom within such limits as arrest the exportation of gold and silver, has thus been so clearly demonstrated, that many of the ablest British statesmen despair of accomplishing the object in any other manner than by restricting the issues of paper money to a single bank, and regulating their amount by the agency of the Government. Here, then, is an important fact incontestably established. If this be true, and there can be no question of its truth, I would ask the Senator how a National Bank, even with a capital of fifty millions of dollars, could regulate and restrain within proper limits, the loans and issues of eight hundred State banks, scattered over the whole extent of this vast country? The thing is impossible. It could not be accomplished by such a bank.

And what is the condition of the Bank of England at the present moment? According to the testimony of Mr. Horsley Palmer, its president, given before the secret committee of the House of Commons, previous to its recharter in 1833, the principle on which it had proceeded in regulating its issues, was to keep as much coin and bullion in its coffers as amounted to a third part of its liabilities, including sums deposited, as well as notes in circulation. Experience had established the fact, that this rule of one for three of circulation and deposites was the safe proportion. Its necessities have compelled it to depart widely from this rule of its own creation. Instead of being able to regulate the loans and issues of other banks, it has with difficulty been able to save itself. It has been going down and down, until, according to the last quarterly statement of its condition which I have seen, it had not one pound sterling in bullion for seven of its circulation and deposites. In this respect it is in a much worse condition than many of the banks in our own country. In order to save itself from utter ruin, British pride has humbled itself so much, that the Bank of England became a suppliant to that of France for a supply of bullion, which was graciously, though condescendingly, granted. This fact is the highest evidence it is possible to present of the advantages which a country, the basis of whose circulation is gold and silver, enjoys over another country, whose paper currency is greatly expanded The Bank of England will probably never see the day, under its present charter, when its bullion will again be equal to one-third of its circulation and deposites. Indeed, one bad crop, in its present condition, would drain it of its gold and silver for the purpose of purchasing foreign grain, and compel it to suspend specie payments. Neither this bank, nor the Bank of the United States, can ever be relied upon as regulators of the loans and issues of the other banks of their respective countries.

The Senator from Kentucky would have "*a well regulated* Bank of the United States." He lays great emphasis upon the words "*well regulated*" Does he mean to insinuate that the present Bank of the United States, under its charter from Congress, was not the best regulated bank which the world ever saw? I had thought, that, in his opinion, this Bank was perfection itself. The truth, however, is, that any regulations which you can prescribe in the charter of such an institution, well be disregarded, whenever a powerful interest dictates there violation. Like the strong man in the Scriptures, it will snap the cords by which it is bound, as if they were thread. It will calculate upon violating its charter with perfect impunity, because it well knows how unwilling Congress would be to inflict much evil upon the country as would necessarily result from its sudden destruction. Once put such an institution into successful operation, and you can no longer regulate its motion by the restriction of its charter. The present Bank was ever a lawless institution, up until the day when it fraudulently seized upon the entire circulation of the old Bank, illegal branch drafts and all, compelled Congress to pass a law making it a penitentiary offence in its officers to reissue these "resurrection notes." Under its State charter, it has been true to its original character. Although it now has a charter such as no other banking institution ever had, it has already been guilty of several palpable violations of his charter, independently of having twice suspended specie payments. I shall not trouble the Senate with the enumeration of these violations. It is now at the mercy of the Legislature. It has pronounced its own doom under its own charter; and it now only remains for the Legislature of the Government to carry this sentence into execution, through the agency of the judicial tribunals. Whether they shall enforce this forfeiture or not, is for them in their wisdom to determine, not for me. I shall not in this place attempt to interfere with their high responsible duties, although I should consider it the greatest of all bank reforms, if this Bank could be blotted out of existance.

The Senator ridiculed the idea that the establishment of a new Bank in the United States could prove dangerous to civil liberty, Such a Bank, with a capital of from fifty to a hundred millions of dollars, with branches in every State of the Union, directing, by its expansions and contractions, when prices sho'd rise & when they sh'd fall, wo'd be a most tremendous instrument of irresponsible power. It would be a machine more formidable than this Government, even if the Administration were as corrupt as the fancy of some gentleman has painted it. There is a natural alliance between wealth and power. Mr. Randolph once said, "Male and female created he them." Combine the moneyed aristocracy of the country, through the agency of a bank National Bank, with the Administration, and their united power would create an influence which it would be almost impossible for the people to withstand. We should never again see these powers in hostile array against each other.—In the days of Gen. Jackson we witnessed the exception, not the rule. Give any President such a Bank as I have described, and we shall hereafter have a most peaceful succession. With all the power of the Executive, combined with all the wealth of the country, he would be the most arrant block head in the world if he were not able to re-elect himself and to nominate his successor. All the forms of the Constitution might still remain. The people migh tstill be deluded with the idea that they elected their President; but the animating spirit our free institutions would be gone forever.—A secret, but all pervading, moneyed influence, would sap the foundation of liberty and render it an empty name.

The immense power of such an institution was manifested in the tremendous efforts which it made against General Jackson. Had he not enjoyed more personal popularity in this country than any man who ever lived, these efforts would have proved irresistable. As it was, the conflict was of the most portentous character, and shook the Union to its centre. Indeed the Bank, at one time, would, in all human probability, have gained the victory, had the election of President chanced to occur at that period; and we should then have witnessed the appalling spectacle of the triumph of the Bank over the rights and liberties of the people. The Constitution of the country and the Democratic party would then have been prostrated together.

On Friday last, when I very unexpectedly addressed the Senate, I stated a principle of political economy which I shall now read from the book. It is this: "that if you double the amount of the necessary circulating medium in any country, you thereby double the nominal price of every article. If, when the circulating medium is fifty millions, in an article sho'd cost one dollar, it would cost two if, without any increase of the uses of a circulating medium, the quantity should be increased to one hundred millions" The same effect would be produced, whether the circulating medium were specie, or convertible bank paper mingled with specie. It is the increased quantity of the medium, not its character, which produces this effect. Of course I leave out of view irredeemable bank paper.

I do not pretend that, on questions of political economy, you can attain mathematical certainty. All you can accomplish is to approach it as near as possible. The principle which I have stated is sufficiently near the truth to answer my present purpose. From this principle, I drew an inference that the extravagant amount of our circulating medium, consisting, in a great degree, of the notes thrown out upon the community by eight hundred banks, was injurious to our domestic manufactures. In other words, that extravagant banking and domestic manufactures are directly hostile to each other.

I did not understand that the Senator from Massachusetts [Mr DAVIS] contested the general proposition that an increase in the currency of any country, without any increase of the uses of a circulating medium, would, in the same proportion, enhance the price of all the productions of that country whose value was not regulated by a foreign demand. He could not have contested this principle. If he had, all history and experience would have been arrayed against him.

The descovery of the mines of South America, and the consequent vast increase of the precious metals put into circulation in the form of money, have greatly enhanced the nominal price of all property throughout the world. Indeed it is now a matter of curious amusement, to contrast the low prices of all articles three centuries ago, with their present greatly advanced rates. The Bank of England recognizes, and constantly acts upon this principle, though often without success. When prices become so high, in consequence of a redundancy of paper currency and bank credits, that it is more profitable to export the precious metals from the kingdom than its manufactures, this bank constantly diminishes its loans, raises the rate of interests, and reduces its circulation, with the avowed object of reducing prices to such a standard as will render it more profitable to export merchandise than bullion. It is in this manner that the Bank seeks to regulate the foreign exchanges.

But why need we resort to foreign nations for illustrations of the truth of this position; when it has been brought home to the actual knowledge of every man within this country. Have we not all learned, by bitter experience, that when our periodical expansions commence, the price of all property begins to rise? It goes on increasing with the increasing expansion, until the bubble bursts; and then bank accommodations and bank issues are contracted, the amount of the currency is reduced, and prices fall to their former level. This is the history of our own country, and we all know it—A certain amount of currency is necessary to represent the entire exchangeable property of a country; and if this amount should be greatly increased without a corresponding increase in the exchangeable productions of the country, the only consequence would be a great enhancement in nominal prices. I say nominal; because this increased price will not enable the man who receives it to purchase more real property or more of the necessaries and luxuries of life than he could have done before.

Let me now recur to the proposition with which I commenced; and I repeat that I do not pretend to mathematical accuracy in the illustration which I shall present. The United States carry on a trade with Germany and France; the former a hard money country, and the latter approaching it so nearly as to have no bank notes in circulation under the denomination of five hundred francs, or nearly one hundred dollars. On the contrary, the United States is emphatically a paper money country, having eight hundred banks of issues; all of them emitting notes of a denomination as low as five dollars, and most of them one, two, and three dollar notes. For every dollar of gold and silver in the vaults of these banks, they issue three, four, five, and some of them as high as ten, and even fifteen dollars of paper. This produces a vast but ever changing expansion of the currency; and a consequent increase of the prices of all articles, the value of which is not regulated by the foreign demand, above the prices of similar articles in Germany and France. At particular stages of our expansions, we might with justice apply the principle which I have stated to our trade with these countries, and assert that, from the great redundancy of our currency, articles are manufactured in France and Germany for one-half of their actual cost in this country. Let me present an example. In Germany, where the currency is purely metalic, and the cost of every thing is reduced to a hard money standard, a piece of broadcloth can be manufactured for fifty dollars; the manufacture of which, in our country, from the expansion of our paper currency, would cost one hundred dollars. What is the consequence? The foreign French or German manufacturer imports this cloth into our country, and sells it for a hundred dollars. Does not every person perceive that the redundancy of our currency is equal to a premium of one hundred per cent. in favor of the foreign manufacturer? No tariff of protection, unless it amounted to prohibition, could counteract this advantage in favor of foreign manufactures. I would to Heaven that I could arrouse the attention of every manufacturer of the nation to this important subject.

The foreign manufacturer will not receive our bank notes in payment. He will take nothing home except gold and silver, or bills of exchange, which are its equivalent. He does not spend this money here, where he would be compelled to support his family, and to purchase his labor and materials at the same rate of prices which he receives for his manufactures. On the contrary, he goes home purchases his labor, his wool and all other articles which enter into his manufacture, at half their cost in this country; and again returns to inundate us with foreign woollens, and to ruin our domestic manufactures. I might cite many other examples; but this, I trust, will be sufficient to draw public attention to the subject. This depreciated of our currency is, therefore, equivalent to a direct potection granted to the foreign over the domestic manufacturer. It is impossible that our manufactures should be able to sustain such an unequal competition.

Sir, I solemnly believe that if we could but reduce this inflated paper bubble to any thing like reasonable dimensions, New England would become the most prosperous manufacturing country that the sun ever shown upon. Why cannot we manufacture goods, and especially cotton goods, which will go into successful competition with British manufacturers in foreign markets? Have we not the necessary capital? Have we not the industry? Have we not the machinery? And above all, are not our skill, energy, and enterprise, proverbial throughout the world? Land is also cheaper here than in any other country on the face of the earth. We possess every advantage which Providence can bestow upon us for the manufacture of cotton: but they are all contracted by the folly of man. The raw material costs us less than it does the English, because this is an article, the price of which depends upon foreign markets, and is not regulated by our own inflated currency.—we, therefore, save the freight of the cotton across the Atlantic, and that of the manufactured article on its return here. What is the reason that with all these advantages, and with the protective duties, which our laws afford to the domestic manufacturer of cotton we cannot obtain exclusive possession of the home market, and successfully contend for the market of the world? It is simply because we manufacture at the nominal prices of our own inflated currency, and are compelled to sell at the real prices of other nations. Reduce our nominal to the real standard of prices throughout the world, and you cover our country with blessings and benefits. I wish to Heaven I could speak in a voice loud enough to be heard throughout New England; because, if the attention of the manufacturers could once be directed to the subject, their own intelligence and native sagacity would teach them how injuriously they are affected by our bloated banking and credit system, and would enable them to apply the proper conective.

What is the reason that our manufacturers have been able to sustain any sort of competition, even in the home market, with those of British origin? It is because England herself is, to a great extent, a paper money country, though in this prospect, not to be compared with our own From this very cause, prices in England are much higher than they are upon the continent. The expense of living is there double what it costs in France. Hence, all the English who desire to nurse their fortunes by living cheaply, emigrate from their own country to France, or some other portion of the continent. The comparative low prices of France and Germany have afforded such a stimulous to their manufactures, that they are now rapidly extending themselves, and would obtain possession, in no small degree, even of the English home market, if it were not for their protective duties. Whilst British manufactures are now languishing, those of the continent are springing into a healthy and vigorous existence. It was but the other day that I saw an extract from an English paper, which stated that whilst the cutlery manufactured in Germany was equal in quality with the British, it was so reduced in price, that the latter would have to abandon the manufacture altogether.

The Senator from Massachusetts, after all our experience, doubts whether our currency has been inflated beyond the proper degree; and to prove that it has not been, he says that the rates of exchange upon England have often been below par. This fact does not tend to prove that our paper currency is not inflated at home. Our foreign exchanges are regulated by the specie standard of the world, not by the amount of our bank issues at home; and whether they are above or below par, depends upon whether we are the debtor or the creditor nation. We ought always to be, and would be, the creditor nation, if it were not for our extravagant speculations in foreign merchandise, produced by the redundancy of our paper credits and circulation. Our immense exports of cotton ought always to produce a ballance of trade in our favor; and yet this is rarely the case. There is generally a particular period, however, in the progress of each one of our expansions and contractions when the exchange is in our favor. This occurs after our cotton and other exports have paid the debt previously contracted to foreign nations, and before we have had the time and the ability to get fairly untee way in a new career of extravagant importations. To say that this circumstance proves that our paper currency is not inflated, is an argument which I cannot understand. It proves nothing but that Providence has provided us a resource in our vast production of cotton, which enables us to repair the injuries which we suffer from our extravagant speculations. It does not touch my argument to show the pernicious influence which our expanded currency exerts on our manufactures.—If it were not for this cause, exchanges would not only be occasionally, but always, in our favor, and the Bank of England could not exercise that controlling influence over our banking institutions of which the Senator from Kentucky so loudly complains. This influence is derived solely from the fact that we are almost always the debtor nation, as we must continue to be, until our wild speculation shall be arrested.

In addition to the reason suggested why foreign exchange has some times been in our favor, notwithstanding our extravagant importations, I might add another which has operated with vast power during the last two or three years. This is the immense amount of money which several of the States have borrowed from England within that period. This money constituted a fraud on which bills were drawn to a large amount, and consequently reduced the rate of exchange. The payment of the interest on this debt, particularly as we shall probably not soon increase the principle, will operate hereafter in a contrary direction, and will tend to rase, not reduce, the rate of our foreign exchages.

But the Senator from kentucky [Mr. CLAY] leaves no stone unturned. He says that the friends of the Independent Treasury desire to establish and exclusive metallic currency, as the medium of all dealings throughout the Union; and, also, to reduce the wages of the poor man's labor so that the rich employer may be able to sell his manufactures at a lower price. Now, sir, I deny the correctness of both these propositions; and, in the first place, I for one, am not in favor of establishing an exclusive metallic currency for the people of this country. I desire to see the banks greatly reduced in number; and would, if I could, confine their accommodations to such loans or discounts, for limited periods, to the commercial, manufacturing, and trading classes of the community, as the ordinary course of their business might render necessary. I never wish to see farmers and mechanics and professional men tempted, by the facility of obtaining bank loans for long periods, to abandon their own proper and useful and respectable spheres, and rush into wild and extavagant speculation. I would if I could radically reform the present banking system, so as to confine it within such limits as to prevent future suspensions of specie payments; and without exception, I would instantly deprive each and every bank of its charter, which should again suspend. Establish these or similar reforms, and give us a real basis for our paper circulation, by increasing the denomination of bank notes first to ten, and afterwards to twenty dollars, and I shall then be the friend, not the enemy of banks, I know that the existence of banks and the circulation of bank paper are so identified with the habits of our people, that they cannot be abolished, even if this were desirable. To reform, and not to destroy, is my motto. To confine them to their appropriate business, and to prevent them from ministering to the spirit of wild and reckless speculation, extravagant loans and issues, is all which ought to be desired. But this I shall say. If experience should prove it to be impossible to enjoy the facilities which well regulated banks would afford, without, at the same time, continuing to suffer the evils which the wild excuses of the present banks have hitherto entailed upon the country, then I should consider it the lesser evil to abolish them altogether. If the State Legislatures shall now do their duty, I do not believe that it will ever become necessary to decide on such an alternative.

We are also charged by the Senator from Kentucky with a desire to reduce the wages of the poor man's labor. We have been often termed agrarians on our side of the House. It is something new under the sun, to hear the Senator and his friends attribute to us a desire to elevate the wealthy manufacturer at the expense of the laboring man and the mechanic. From my soul I respect the laboring man. Labor is the foundation of the wealth of every country; and the free laborers of the North deserve respect, both for their probity and their intelligence Heaven forbid that I should do them wrong! Of all the countries on the earth, we ought to have the most consideration for the laboring man. From the very nature of our institutions, the wheel of fortune is constantly revolving and producing such mutations in property, that the wealthy man of to-day may become the poor laborer of to-morrow. Truly wealth often takes to itself wings and flies away. A large fortune rarely lasts beyond the third generation, even if it endure so long. We must all know instances of individuals obliged to labor for their daily bread, whose grandfathers were men of fortune. The regular process of society would almost seem to consist of the efforts of one class to dissipate the fortunes which they have inherited, whilst another class, by their industry and economy, are regularly rising to wealth.* We have all, therefore, a common interest, as it is a common duty, to protect the rights of the laboring man; and if I believed for a moment that this bill would prove injurious to him, it should meet my unqualified opposition.

Although this bill will not have as great an influence as I could desire, yet, as far as it goes, it will benefit the laboring man as much, and probably more, than any other class of society. What is it he ought most to desire? Constant employment, regular wages, and uniform reasonable prices for the necessaries and comforts of life which he requires. Now, sir, what has been his condition under our system of expansions and contractions? He has suffered more by them than any other class of society. The rate of his wages is fixed and known; and they are the last to rise with the increasing expansion, and the first to fall when the corresponding revulsion occurs. He still continues to receive his dollar per day, whilst the price of every article which he consumes is rapidly rising. He is at length made to feel that, although he nominaly earns as much, or even more than he did formerly, yet from the increased price of all the necessaries of life, he cannot support his family. Hence he strikes for higher wages, and the uneasy and excited feelings which have at different periods, existed among the laboring classes. But the expansion at length reaches the exploding point, and what does the laboring man now suffer? He is for a season thrown out of employment altogether. Our manufactures are suspended; our public works are stopped; our private enterprises of different kinds are abanded; and, whilst others are able to weather the storm, he can scarcely procure the means of bare subsistence.

Again, Sir, who do you suppose he'd the greater part of the worthless paper of the one hundred and sixty-five broken banks to which I have referred? Certainly it was not the keen and wary speculator, who snuffs danger from afar. If you were to make the search, you would find more broken bank notes in the cottages of the laboring poor than any where else. And there miserable shinplasters where are they? After the revulsion of 1837, laborers were glad to obtain employment on any terms; and they often received it upon the express condition that they should accept this worthless trash in payment. Sir, an entire suppression of all bank notes of a lower denomination than the value of one week's wages of the laboring man is absolutely necessary for his protection. He ought always to receive his wages in gold and silver. Of all men on the earth, the laborer is most interested in having a sound and stable currency.

All other circumstances being equal, I agree with the Senator from Kentucky, that that country is most prosperous where labor commands the highest wages. I do not, however, mean by the term "highest wages," the greatest nominal amount.—During the Revolutionary war, one day's work commanded a hundred dollars of continental paper; but this would scarcely have purchased a breakfast. The more proper expression would be, to say that that country is most prosperous where labor commands the greatest reward; where one day's labor will procure, not the greatest nominal amount of a depreciated currency, but the most of the necessaries and the comforts of life.—If, therefore, you shou'd, in some degree, reduce the nominal price paid for labor, by reducing the amount of your bank issues within reasonable and safe limits, and establishing a metalic base for your paper circulation, would this injure the laborer? Certainly not: because prices of all necessaries and comforts of life are reduced in the same proportion, and he will be able to purchase more of them for one dollar in a sound state of the currency, than he could have done, in the days of extravagant expansion, for a dollar and a quarter. So far from injuring, it will greatly benefit the laboring man It will insure to him constant employment and regular prices, paid in sound currency, which, of all things, he ought, most to desire; and it will save him from being involved in ruin by a recurrence of those periodical expansions and the contractions of the currency, which have hitherto convulsed the country.

This sound state of the currency will have another most happy effect upon the laboring man.—He will receive his wages in gold and silver; and this will induce him to lay up, for future use, such a portion of them as he can spare, after satisfying his immediate wants. This he will not do at present, because he knows not whether the trash which he is now compelled to receive as money, will continue to be of any value a week or a month hereafter. A knowledge of this fact tends to banish economy from his dwelling, and induces him to expend all his wages as rapidly as possible, lest they may become worthless on his hands.

Sir, the laboring classes understand this subject perfectly. It is the hard-handed and firm-fisted men of the country, on whom we must rely in the day of danger, who are the most friendly to the passage of this bill. It is they who are the most ardently in favor of infusing into the currency of the country a very large amount of the precious metals.

The Senator has advanced another position which I am sorry I cannot agree with him. It is this: a permanent high rate of interest is indicative of the prosperity of my country. Now, sir, a permanent high rate of interest is conclusive evidence of a scarcity of capital, and indicative of any thing but prosperity. I think, therefore, I will puzzle him, with all his ingenuity, to establish his proposition. To render a country truly prosperous, capital and labor must be so combined as each to recieve a fair reward. In England, when the rate of interest was very high, the country was not at all in a flourishing condition; but as capital gradually accumulated, and the rate of interest consequently sunk, she became more and more prosperous, though she did not reach her highest elevation until money yielded considerably less than five per cent. But this subject is a little relevant to the question under discussion; that is scarcely necessary pursue it. If it were, it would be easy to show that a high rate of interest generally, if not universally, enters into direct conflict with the wages of labor, which the Senator is so anxious to maintain. Suppose, for example, that it required a capital of $20,000 to put and to preserve an iron manufactory in successful operation. In one country the interest on this sum at ten per cent would amount to $2,000, while in another could be procured at four per cent, only $800. The difference would be $1,200; and unless this amount can be saved either by a reduction in the wages of labor, or in some other manner, the manufacturer who pays the high rate of interest almost always presses upon the wages of labor.

If the gentleman's theory be correct, Wall street must be a perfect paradise of prosperity. *There* the rates of interest for a long time has been permanently high, varying between two and four per cent a month, or between twenty-four and forty-eight per cent, per annum. Post notes on the Bank of the United States have been discounted freely at two per cent per month. With these facts before him,, Mr. Jellery would not now declare, as the Senator informs us he formally did, "that this country was the heaven of the poor man and the hell of rich." He might probably reverse the position though it would be equally extravagant one way as the other. A country in which a rich man can realize from twenty-four to forty-eight per cent for his money, would be any thing but a place of torment for him. But what is the condition of a poor man in such a country? When capital commands such an extravagant interest to liquidate commercial debts, it will no longer be used in the employment of labor; and hence poor men must necessarily be thrown out of employment. Such a condition is any thing but a heaven for the poor.

The Senator exclaims with mighty horror, "the Stuarts are still upon the throne, and Charles the Second has succeeded Charles the First." He has, I think, been very unfortunate in this historical allusion, if he intended to compare our Andrew with the first Charles. The cuentes of Charles cut off his head, while our Andrew, politically speaking, cut the heads off all his enemies; and many and many of them were in such terror of him, that they dreaded he might turn the metaphor into a reality, and cut off their heads in earnest. Charles the Second did not succeed Charles the First. The Lord Protector intervened. Although he and the Senator from Kentucky are as different in other respects as two able and brave men can be, yet whilst he was speaking, it struck me that there was one striking point of resemblance between them.—And what, sir, do you think that was? My Lord Protector always began and ended every thing he the Senator has ended his speech—*with prayer.*—Then in regard to the Second, I have little to say. Of all men, the Senator ought to be the last to disparage our Martin. I have read of a great conqueror Gerard who always pronounced his conqueror to be a very able and brave man, because, as the historian observes, it would have lessened the merits of the conquished to have been overcome by a fool or a coward. The Senator, in speaking of Martin, ought to exclaim,

"Great let my foe be, for he conquered me."

If, in addition, the little magician should be victorious over the hero of Tippecanoe, in the great battle to be fought the approaching autumn, and I have full faith that such will be the result, he will go down to posterity with all "this blushing honors thick upon him."

Thanking the Senate for their patient attention I shall now resume my seat.

From the New Orleans Bee, April 25.

INVASION OF TEXAS BY 2000 MEXICANS. Letter from Houston, dated the 21st of April, have been received in New Orleans, stating that so strong is the impression that Mexico designs to invade Texas every third man had been called out by the government and marched to the frontier. The Centralists having defeated the Federalists a second time, at Morelez, a small town fifteen leagues from the Rio Grande, are directing their steps towards Baxas. A letter from that place dated the 5th of April, says that the territory of Texas was already invaded by the Centralist army, numbering over two thousand men, and carrying eight pieces of artillery. It states also that a great many Cherokee Indians have joined the Mexicans.

CONNECTICUT.—The legislature of this state assembled at New Haven on Wednesday the 6th of May, and proceeded to elect Charles J. McCurdy (whig) of Lyme, Speaker of the House of Representatives, by a vote of 107 against 54 for Jesse Olney, and 11 scattering. Joel W. White was then chosen Clark.

AGRARIANISM.—"Above all things, good policy is to be used, that the treasure and money in a State be not gathered into a few hands; for otherwise, a State may have a great stock, and yet starve; as money is like muck, no good except it be spread." Lord Bacon.

☞The Connecticut Courant, of May 4, says "a *Democratic Republican*, means, in plain English, a *Loco Foco*." This definition, be it remembered, is given by a rank British Whig paper.—*Hartford Times.*

ADVERTISING FOR A WIFE.

The Philladelphia Ledger thinks that the best way to get a wife is to advertise for one, and thus argues the point:—

"False delicacy is a great stumbling block in the way of human happiness. Thousands of ladies go unwedded to their graves, while each one could have ten offers of marriage, if the difficulties of getting acquainted and other preliminaries were removed. A young man in the South lately advertised for a wife, stating, as his reason for so doing, that he could not spare time to hunt around to wait for introductions, and to study the character and dispositions of the ladies he might have some thoughts of addressing.—Here was an industrious and economical fellow, a plain dealing straight forward youngster; the very chap to make a good husband; and this youngster would most likely have lived to be an old bachelor, had he not thought of the plan of advertising. The lady who responded to his call, who exhibited proofs of her qualifications and was accepted might have withered on the virgin thorn, but for that advertisement, Is it not remarkable that there are myriads of single persons of both sexes scarcely one of whom is averse to matrimony (and many of them are extremely anxious to be married,) who still drag on a life of weary solitude and descend to the sepulchre, often without leaving one creature, (except a dog, cat, parot, or monkey, perhaps,) to lament their loss.—Now if these individuals, male and female, could be brought in contact, could have their mutual wants explained to each other, how many unions of heart and hand would be the result! For the attainment of this object, advertising is an easy, certain, and felicitous measure.

The Havre-de-Grace Advocate says that the Shad and Herring fisheries in that vicinity are yielding large supplies.