The North Carolina Standard.

THOMAS LORING, *Editor and Proprietor.*

THE CONSTITUTION AND THE UNION OF THE STATES.....THEY "MUST BE PRESERVED."

RALEIGH, N. C. WEDNESDAY, OCTOBER 25, 1837.

VOL. III....NO. 156.

Three Dollars per Annum.

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SPEECH

OF

Mr. STRANGE, of N. Carolina.

[*Concluded.*]

I have thus suggested some of the objections which present themselves to my mind, to two of the plans; and the question may be asked, and it is proper it should be answered, whether any of them apply to the third and only remaining alternative measure? and my response is, no. It is not, like the United States Bank, at war with any declaration of public opinion. To that ordeal it is yet to be submitted, and I am well content that it shall be brought to so just a standard, and that it shall be pressed no longer than it is found in accordance with it. It has no hostility from the Executive to encounter, for it is his own offspring, and he stands pledged to give it a fair chance for existence. It implies the assumption of no powers not clearly granted by the Constitution; and whether expedient or not, is the only question for which, I trust, before I have finished, I shall have succeeded in making at least a show of probability. It has never failed; for, so far as this Government is concerned, it is yet a matter of trial, and we are doomed to hear, in relation to it, the cry of *experiment! experiment!! experiment!!!* until the ear aches with the sound. Like every thing human, it is liable to maladministration, and of course to failure; but it carries within itself no principle of inevitable fallibility like the banking system. Scattered as your treasure will be, under it, from one end of the continent to the other, it will not be likely to meet with any co-extensive agent of destruction; and, although some inconsiderable rill may be dried up here and there, the great river of your revenue will be supplied from others, and flow on copiously and freely. Times of difficulty will not disappoint you in the use of your fund in hand, for it will be in the solid metals—the most unchangeable and indestructible of sublunary things—and therefore so fitly chosen as standards of value. Being in the hands of the immediate agents of the Government, no party combination can be strong enough, without an actual revolution, to divert it from the use to which the people, through their constituted representatives, shall think proper to direct its application, and thereby subject those representatives to other domination than that of the will of their constituents, constitutionally expressed. Neither can any great difficulty be interposed by those who may be your depositories, in the way of delivering it up. There will be no middle man to stand between the actual custodier of the money and responsibility; there will be no community to back him in contumacious refusal to comply with his duty, no real or fancied inability to meet your demands can be offered in extenuation of neglect; no honest men unconsciously enlisted by interest, by gratitude, by innumerable inducuous appeals to ardent natures, be induced to step forward, and oppose their bodies to the execution of the laws. No party spirit can be rallied in behalf of the delinquent. No shout of party triumph will be heard to animate his soul to bold defiance; but he will stand alone, a conspicuous mark for that approbation which fidelity is sure to win, or the sober condemnation which is as certainly visited by enlightened public opinion upon a faithless or factious public servant.

The plan is recommended to us by its simplicity, according, in this, with the whole genius of our institutions. One main object of our political forefathers was to deprive government of all that mysticism with which sengcraft had invested it. It was intended that our system of government should be so simple that every citizen (as all take part in its action) should be capable of comprehending it; that whosoever could read, or hear read, our excellent Constitution, should understand its meaning, and be able to judge of the fidelity of those to whom its administration was committed. The simplicity of this plan, then, is in beautiful conformity with the rest of the system of which it is intended to constitute a part.

But it has the decision of time in its behalf. For aught we know to the contrary, it has been substantially the practice of all governments, except our own, up to the present day. To various modifications it has doubtless been subjected; but even in England, a wide space is kept between the Exchequer and the bank.

The perfect accessibility of the Government to its proper funds is a circumstance against which it would take much to weigh with any prospect of overbalancing it. Yet objections have been urged to the plan, and first proper we should consider them. And first, it is said the revenue will be exposed to speculation much more than it is at present. Why so? It is pertinently asked by the President in his Message, do vaults become less secure in a Treasury Department than when located in a banking house?—and it might have been also asked, do men change their natures less from becoming officers in a bank than in the employment of the Government? Surely, the same securities can be provided in the one case as in the other. Nay, is not the advantage on the side of the Government? There is no limit to the penalties you may impose upon an unfaithful public agent. You may bind him hand and foot, and cast him into the most loathsome dungeon; and if that be not enough, you can doom him to a felon's death, fasten upon him a stigma which will not leave him even in his festering shroud, but cling with relentless hold to his children after him. It is true, you can not make men honest by legislation, but you can make it so obviously their interest to be so, as to enable them to overcome the temptations which beset them. It is the hope of escaping detection, for a length of time, and thereby increasing the probability of escaping altogether that most commonly sustains men in the perpetration of deeds of fraud; but in the present admirable system of accounting with the Treasury of the United States, detection would be likely to follow so soon upon the commission of the offence, that little inducement would be found to engage in it. If it is to be received as a settled truth, that men cannot be trusted with money under any of the sanctions which the law is able to impose for its safe keeping, we may as well make up our minds to abandon civil society at once as an impracticable absurdity. But the Senator from Virginia insists that experience is against us, and cites an instance from his own State, where high character and reputed integrity in the officer, had not been sufficient to protect the public treasure; but instances might likewise be cited, were I disposed to do so, where defalcation had taken place where it was the custom to make deposites in a bank, which custom was enforced by law. There is less danger it is said to the public under the banking system, although the stockholders may be exposed to the losses which would have otherwise fallen upon the Governmet. In answer to this, I say, in the first place, there never has yet been a winding up of the transactions of the Government with the banks, so that it is impossible to say what have been its losses; but granting the position to be correct, I answer farther, that in a national point of view, one evil is nearly as great as the other. But after all, the same officers whom you are now required to trust with the collection of the money, and whose honesty must, of necessity, be subjected to that test, are those who under the plan proposed would be its depositories, and but little additional demand would therefore be made upon their integrity. Yet, for the sake of the argument, let it be conceded that each particular portion of the public Treasury would be subjected to some additional hazard; it seems to me, altogether indisputable that the aggregate would be infinitely less exposed to be lost, or rendered useless; and who is there who would not be willing to put a portion of his estate in greater hazard, to render the balance more secure, or even to make an absolute loss by paying an insurance? This consideration alone is, I think, altogether sufficient to dispose of the argument.

I am glad to find that no gentleman has in debate seriously relied upon the additional expense to which the sub-treasury system, as it has been called, would subject the nation; but it has been adverted to in the newspapers, and we may perhaps yet hear it on this floor. It is shown to be very inconsiderable; and, even if it were much greater, the advantages proposed are nothing if that expense, in being weighed against them, would not be as a feather to a pound weight.

The Senator from Virginia objects to the plan proposed on account of its tendency to produce another charter for a U. States Bank. In the deprecation of such a result, I will most cordially unite with that gentleman, but I differ with him altogether in his anticipations of the *modus operandi* of the two plans upon the public mind. I can see in the plan to which he clings with so much tenacity, the most direct tendency to the re-establishment of that institution so odious to us both. Let the maxim once be settled that the fiscal concerns of this Government cannot be managed without bank agency, and the blade of wheat does not more certainly spring from the grain deposited in the earth, than a United States Bank will spring into being from that maxim. Every one must see, every one will come to see, that if this bank agency be necessary, a bank deriving its existence and form, and the law of its action, from the Government which uses it, must possess advantages over every other, and the Constitution will be moulded to meet this conviction. But the direct tendency of resorting to an independent treasury, will be to impress the public with the belief that the Government can manage its affairs without a bank. If the plan operates successfully, this belief will gather strength from day to day, and anti-bank habits become established, while these institutions, deprived of the stimulus which the Government deposites have ministered, will gradually diminish in number until they become apportioned to the real commercial demands of the country. At the worst, should our scheme fail, it will merely bring us back to the position that bank agency is necessary for conducting the fiscal concerns of the Government, and we shall only have reached that degree of approximation to a U. States Bank at which the Senator from Virginia sets out.

It is objected to the plan proposed, that it will increase Executive patronage. With a certain class of politicians, this has been a matter of vast alarm, and they have become so much accustomed to associate with this expression certain most deplorable incidents, that they can never hear it without having this horrible array presented to their imaginations. Now men are exceedingly prone to mistake names for things; and although there is something very imposing in the name of patronage, yet I am vastly mistaken if the Executive patronage of this Government is not to him who wields it, a principle of weakness rather than of strength.—For every one on whom it is in his power to confer an office, ten greedy expectants are disappointed, and feel that some great personal merit has been overlooked in them, or some important service ungratefully forgotten. How can one admire and support the man who has so little discernment as to be blind to one's merits, or so little heart as to be insensible to the zeal and devotion with which one has advocated his cause? And what is still worse, it is by no means certain that the prizeholder will be true to his allegiance. So far as my experience goes, in a large majority of cases, a man no sooner receives an appointment than he becomes adverse to the administration from which he received it. This, at the first blush, may seem a little remarkable; but our wonder diminishes when we advert to the deceitfulness of the human heart, and find how large a portion of it is in the quiet possession of personal vanity and pride. Generally speaking, the incumbent has reached the acme of any reasonable expectations he could form, and hope, therefore, no longer keeps him steadfast with promises for the future; there is nothing then but the fear of removal, and this power of the Executive is watched by the public with so much jealousy, that few are willing to exercise it without some apparent and satisfactory reason. The mere change of political opinion will seldom do for a reason, and is therefore seldom relied upon. The danger, therefore, is just enough to enable a man to take credit to himself for great independence, who can say, "You see I am an office holder, but that does not hinder me from differing from the Government, and finding fault when I see occasion."—And what is there human with which one cannot find fault who has fame or any thing else to gain by so doing? But, granting that the patronage of the Executive was an available means of increasing his partizans, how much more efficient could that means be rendered through the instrumentality of the banks, than when brought directly to bear upon the individuals who might be applicants for office, as is urged, with great force and propriety, in the President's Message. But this brings me to a view of the subject, startling in the highest degree, in the contemplated continuance of the league of banks in connection with the revenue of the country. At present, the President and the money power of the country are in opposition, and happy will it be if they always remain so. But do you not see that the system proposed will have the tendency, in the end, to bring them to co-operation and alliance? Parties in this country may be subdivided as you please, but the grand distinction at last is that between those who are in favor of a strong and splendid central Government, absorbing all the sovereign powers once possessed by the States, by the most liberal and enlarged construction of the Constitution of the Union, and those who are in favor of a limited and economical Federal Government, exercising no more powers than those expressly conferred by the Constitution, and leaving all beyond to be exerted by the States. To the former of these, the mercantile classes, comprehending nearly all the moneyed power of the country, will generally be found to belong, and if you want a proof of this, you will find it in their habit of looking up to this Government, as the great *parens patriæ* in all emergencies, as on the present occasion. Accustomed to handle large sums of money, which they accumulate without much bodily toil, living in ease, and splendor not enjoyed by any other large class of community, the common principles of human nature incline them to aristocratic feelings. From whence, I pray you, is the failing aristocracy of England replenished, but from the mercantile classes; acquiring by their wealth, consequence, and purchasing therewith baronial estates, the title in some way or other frequently follows. From the beginning of history to the present day, merchants have become princes, and constituted the aristocracy of their respective countries. Now one of the dangers to which our institutions are exposed, and that of which many politicians feel or affect to feel the greatest dread is, from Executive usurpation, ending in the assumption of regal, imperial, or dictatorial power. To this, while the moneyed power of the country is adverse to him personally, it will present a most formidable barrier, and in its bold struggle in defence of its own liberty, will secure that of the whole nation. Who contributed so much to curbing the regal power in England, and placing the liberties of the people upon a firm basis, as the merchants of London? Mankind must ever be their debtor for their noble efforts in favor of free principles. But a President who would desire to make himself a monarch would seek to surround himself with an aristocracy devoted to his will; and where would he so naturally seek for one as in the moneyed power of the country? while, at the same time, by using it, he would be disarming the very opposition to his plans from whom he would have most reason to fear a defeat. But, stopping far short of that, in the nature of things, we might suppose the Executive of the country well disposed to give vigor to the central Government, and an union between him and the moneyed power of the land would, in the pursuit of such common design, go very far in its accomplishment.—I believe the strife between the two great parties in this country one of the best securities for the liberties of the nation, and I do not desire that it should ever cease. Nature and art, in all their operations, proceed upon opposing to each other antagonist principles; the ship makes her way towards her destined port by means of the antagonistication of her rudder and the wind; and the wise politician in this country will not desire to see an union of interest between the Government and its great moneyed power. Rather let them be kept in direct opposition, and never let them be brought into united action.

Another objection which has been urged against the plan under consideration is, that it would be a virtual surrender to the Executive of the purse; and the old cry is raised of the union in the same person of the purse and the sword. Upon this point I have only to say, if it be so, it is the fault of the Constitution itself. By it, only three classes of public agents are recognized—the executive, the legislative, and the judicial. The latter is out of the question so far as the present matter is concerned, and, as respects the legislative, it is sufficient to say that it was never intended its sessions should be perpetual; and when those sessions are dissolved for any purpose of immediate action, the Legislature has no existence.—Meantime, the treasures which it has raised must be in the custody of some branch of the Government; &, from what has been already said, this can be the Executive only. No fourth estate, no bank power, is created or recognized by the Constitution for this purpose, and its provisions are only fulfilled when the revenue goes into the hands of the Executive; but under the name of the Executive, it is the President only who is pointed at in the expression of fears for the possession of the purse. And why should such fears be entertained? The President would be as far removed as now from any personal contact with the public treasure.—The machinery is now in operation, (and, if it requires improvement, so let it be done,) by which the public treasure is to be received and paid out; and the hand of the President could not control a dollar, except for purposes prescribed by law, without committing a burglary or a great public fraud.—There would be at least two persons between him & the public money—the Secretary of the Treasury and the Treasurer—and it would be, I should think, a violent presumption, and one little creditable to us as a people, if one to whom we have confided so high and dignified a trust as the Presidency of these States could be guilty of a burglary or a great public fraud.

The Senator from Virginia has appealed to the wisdom of past ages, and meekly offers to subdue the dictates of his own judgment to their decisions; and, amongst others, he refers to the great Apostle of Liberty, Thomas Jefferson. The opinions of that distinguished man upon political subjects have always, with me, the greatest weight, and I think it will be found, that whenever in a situation to express his own deliberate convictions upon this important subject, they have uniformly been in our favor.

As a member of the first cabinet formed under our constitution, he recommended a plan similar to ours to President Washington, and in a comparatively recent letter written upon this subject, his sentiments are all with us. I will take the liberty of reading a portion of this letter to the Senate, and I will read the more of it because some few sentences have a bearing upon a subject discussed a few days ago, relative to the issue of treasury notes. (Here Mr. Strange read from the fourth volume of Mr. Jefferson's works, letter 90th, to John W. Eppes. When Mr. S. had finished reading, he proceeded.) I have thus, Mr. President, read from this letter, for the double purpose of showing Mr. Jefferson's views upon the matters in question, and of fortifying myself with his authority in an opinion expressed by me some time ago, that the banking system, as now practised in this country, is a manifest absurdity. I have now closed all that I have to say upon the matter under consideration, as touching merely the fiscal concerns of the Government, and will proceed to bestow a few reflections upon them as affecting the currency of the country, and its commercial prosperity.

I am next, as briefly as possible, to consider the subject as relates to the currency; and upon this point, I agree fully with the President that there is no constitutional power in Congress to regulate the paper currency of the States. The Constitution truly has given the power to Congress to coin money, and regulate the value thereof, and of foreign coin. The power conferred then is over coin only; and whatever verbal disagreements may have arisen among us, no one, I presume, will contend that any species of paper money is included under the term coin. So much for the letter of the Constitution; and the spirit of it, I think (if gentlemen will insist that it has a spirit,) is equally against it. Any one who will examine its various provisions, cannot fail to perceive that its wise and sagacious framers looked with the most jealous eye upon a paper currency, and fixed their hearts upon the precious metals, as the only proper circulating medium for this great Union, as sanctioned by public authority. To the General Government no power was given (and as the history of the time shows us, was purposely withheld) to create corporations without the District, where its legislative power is absolute. The same power never having been taken from the States, (as has been expressly decided,) was left to them within their respective limits, and all of them have exercised it. To them, therefore, it belongs to regulate, if they can, these creatures of their own hands; certain it is, no power is conferred upon us by the Constitution to do so. It is contended, however, that although we have no direct power to regulate the paper currency of the States, we may do so indirectly. I admit that if in the pursuit of our legitimate objects we should incidentally adopt measures affecting the currency, we shall not be subject to blame, and if they affect it beneficially, so much the better. But we have no right, under the mere pretence of furthering an object placed by the Constitution within our control, to be aiming in fact at the regulation of another not so placed. It is a fraud upon the nation, upon our constituents, and ourselves. Such was the process by which the odious, unjust, and unconstitutional measure of a tariff for protection was fastened upon us, in the resistance of which a portion of this Union was placed in hostile attitude against the remainder. Akin to this is the proposal of imposing a stamp duty on all bank notes below a certain denomination, and all other measures for the potential exercise of powers that we cannot openly claim.

But if you had the constitutional power, you have not the physical power, to control a currency furnished by corporations. I have already made myself intelligible, I trust, upon that point, and shown that a bankruptcy law, the most probable means of control, is not within your reach. The plan proposed by the Senator from Virginia is altogether inadequate; it wants both vigor and quickness of action, and in my judgement he might as well attempt to sweeten the bitter waters of the Dead Sea, by dropping in lumps of sugar, as to infuse health and soundness into the diseased paper circulation by his feeble process. It can only operate upon those banks who agree to receive your deposites & whose paper you agree to receive in the payment of public dues. The notes of banks issuing small notes will either be taken by them, or they will not; if they do take them, they become as current as their own, and have within them as many principles of currency. If they do not receive them, they will still be current, and the more so, as the banks in league with the Government will be removed from competition in the small note circulation. The argument of the Senator from South Carolina who sits near me, was misunderstood by me, or it has been misunderstood by others, with regard to the currency of bank notes. He has been supposed to have said, that bank notes owe their whole currency to their being receivable in debts to this Government. I did not so understand him, and I do not admit the truth of the position. They unquestionably owe the larger portion of their credit to this cause, but then they derive a good portion of their credit from their being receivable in debts to the State Governments—to the confidence which many will always have in the institutions which issue them—to the established custom of the country which has rendered them current—and to the eagerness with which every thing at all akin to money is laid hold of when offered, lest nothing better may be presented, and the chance of getting even that pass away. These considerations will continue long to sustain the circulation of small notes, and many banks will find it too profitable to issue them to be tempted by any prospect of gain which you hold out to them in the plan of the Senator from Virginia to abandon it. Add to this, that while you continue your connection with banks, you will never accomplish one of the great purposes of legislation—public repose, and quiet. What we now do, ought, if possible, to be well done; and it is far more important than that it should be done hastily. In your partnership with the banks they will always find subjects of complaint against you, make one concession the ground of right to demand another, and whenever refused raise a clamor which will excite the elements of political strife from one end of the continent to the other.

I have said that it does not belong to this Government to regulate credit and paper currency, and I insist further that if this were an absolute, unlimited Government, it would be expedient for it to interfere as little with such matters as possible. In the first place it is a subject to which nature herself has furnished laws, a few of which are simple and well understood; but many of them are very occult, and scarcely perceptible, and the most sagacious mind is incapable of foreseeing the result even of a few of their combinations, and must therefore act with great rashness in meddling unnecessarily with matters in which great evils may be produced in the end, without any well-founded confidence of advantages in anticipation.—The most enlightened writers on political economy, in modern times, denounce the ignorant quackery which formerly shackled trade with multifarious laws and regulations, and have discovered that freedom is her element. Every attempt to control her, diminishes her freedom; and those who are now beseeching Congress to take her under its special charge, would, if their prayer were granted, ere long discover, that when trade lays herself at the footstool of power for protection, she has deserted her native element, has voluntarily torn away the plumage which sustains her in her prosperous flight, & having become faint and languishing, will sigh vainly for the return of her health and buoyancy. We are told too of the value of credit and its connection with freedom; and if I may be allowed to refer to a letter made public some weeks ago, coming from a high quarter, I will take the liberty of saying that a clink of words, and apparent beauty of sentiment which it contains, is calculated to bear away the public mind to wrong conclusions. It is there said "that credit distinguishes the free Government from the despotic," and the connection in which the expression is used, would lead one to suppose that the truth of the sentiment implied that to keep a nation free, you must maintain credit; whereas the real beauty of the remark is found in the truth being precisely the other way. You cannot make a nation free, by giving her credit, but you can give her credit, by making her free.—Let us not mistake the relationship of freedom and credit; it is not collateral but lineal; and it is likewise important that we should not mistake the child for the parent. Credit is the offspring of freedom, and not fredom the offspring of credit. God forbid that I should be an enemy to credit; but I am desirous to see a natural, spontaneous credit, resting upon a sound basis; not a spurious, factitious credit, swelling like a balloon, with nothing but wind—as buoyant and as frail. You cannot legislate credit into healthy existence; but in the attempt to do so you may give it temporary plethora, destined to end in apoplexy and death. Credit is most delicate in its nature, and few hands are gentle enough to touch it. The slightest causes elevate or depress it. Its extreme sensibility is strikingly illustrated by a passage in Roman history, which now occurs to my mind. It was during what is called the piratical war, or the war against the pirates. Provisions at Rome and in the surrounding country had become extremely scarce, and could only be had at enormous prices. The supplies for the army and navy were nearly exhausted and there was but a cheerless prospect of having them renewed. At this crisis, the Senate resolved to appoint Pompey the Great, generalissimo of the expedition against the pirates, merely in reference to his military talents and successes; but strange to tell, prices immediately came down, and provisions were abundant. Here, then, was a cause instantly and powerfully affecting prices and credit, which no one could have foreseen; and yet the writers of the day assure us it is so. And is it possible, while this Government remains so intimately connected with the paper currency and credits of the country, that it can fail greatly to affect them by every movement? Like a great giant, it has only to move one of its mighty legs or arms, and all the elements around it are immediately thrown into convulsions. This dangerous juxta-position, therefore, ought to cease—so embarrassing to the Government and threatening to the paper currency and credit. No matter how urgent the necessity may be in other respects, Government must move with caution, or not move at all, lest she may derange the currency; or, if looking solely, or even mainly, to the constitutional ends of its creation, it does act, the air is immediately rent with cries of distress, and the Government is told it has done the mischief & must repair it; that it must bind up the wounds of a bleeding country; nay, and pour into them oil and wine, too, from the Treasury. Such was the outcry on the removal of the deposites; such upon the refusal to re-charter the United States Bank; such upon the issue of the Treasury circular; all of them measures strictly political, and adopted with reference to the action of the Government as such; but complicated as it had become with the paper currency & credits of the country, nothing should have been done, every thing should have been left undone, it is said, which, in the end, happened to affect them. What remedy is there for this evil but the disconnection proposed?

But although the Government, whether united or not to the banks in her fiscal operations, can do but little legitimately towards regulating their paper currency, she can, by that union, do much to inflame the evils, and by so doing, work much injustice. She can by that union greatly increase the credit of those institutions, and give a wider circulation to their paper issues, and in this way increase what are called mercantile facilities. The Senator from South Carolina has illustrated this matter by a figure so strong and forcible, that it could not fail, I think, to have brought conviction to all who heard him.—Yes, sir, take the beggar from the street, and stipulate with him that nothing but gold and silver and his notes will be received in payment of debts to this Government, and Crœssus himself was never richer than he would instantly become.

But what right have the merchants or the banks to make a profit upon the Government funds, to the exclusion, or nearly to the exclusion, of all other classes? It is vain to set up the plea, that the benefit of one class is the benefit of all; for the same plea is equally applicable to any act of inequality and injustice, however monstrous. Every one knows that bank stockholders are mainly confined to a very few classes, and it is those who make the profits upon the public funds while in the custody of banks. Tell me not that by expansion of the currency, the farmer and the laborer obtain better prices for their produce and their labor. Nominally it is so; but they must, in at least an equal proportion, pay for what they consume; and of those who are fortunate enough to lay aside any thing above their actual expenses, the ordinary subjects of their investments increase in nominal value with the expansion of the currency, and they hold them liable to all the fluctuations of that uncertain element, rendered so entirely for the profit of others. But leaving, as time compels me to do, the inequality of its operations upon individuals, how much more unequal is it in its local operations?—Where are the banks? In mercantile communities. Where are our mercantile communities? With a very few exceptions, in our north-eastern country. There, not only the bank stockholders and merchants, but all who are near them and around them, partake of the benefit in some degree, as the plat of ground which lies near a stream, although the prolific shower may not fall immediately upon it, is yet refreshed and fertilized by the moisture diffused through the atmosphere. Why is it that plenty and prosperity rest on the bleak and barren hills of the north, while the sunny and alluvial valleys of the South are daily becoming more and more impoverished? What is it but the result of the partial and unconstitutional system under which we have been living? In vain does the Constitution declare that taxation shall be equal, if, when collected, some favored regions are to be fostered and enriched by it, while others are left to struggle on, worse than neglected, with no other bennison but that of nature.

As a sort of balance to this argument, the Senator from Indiana, who has just addressed you, insists that the effect of collecting the Government dues in gold and silver will be to drain all the specie from the West, as little or none of the public expenditures will be in that quarter. Now, I am at issue with that Senator, both as to the fact and the inference he draws from it. I do not agree that the public expenditures have not been in greater proportions on the Mississippi than on the seaboard. If I am correctly informed, more money has been paid to the Indians for extinguishing their title to the lands in that Senator's own State, than the whole are worth; and I remember that no longer ago than last winter, I myself rose in my place, and protested against the whole of the public funds being swallowed up in the great valley of the Mississippi, so large were the appropriations in that direction.—Doubtless ample expenditures will be made in the West. But whether or not, if they have demand for specie in the West, thither it will go; and if it does not, it will owe its exclusion to the bank paper which the western people will themselves think proper to substitute for it.

The Government, I have already said, cannot continue her connection with the banks without stimulating them into fictitious credit, and increasing the tendency to commercial and speculative enterprise, which is already great enough, Heaven knows, and subtracting from the laboring and productive classes, the real bone and sinew, the true human *materiel* of the country. This is too obvious, and the mischief too great, to require elaboration. But besides this, extravagance will be the natural offspring of the system. We have already seen the tendency of this evil to increase; and increase it will under the continuance of the system, until republican simplicity will be annihilated among us. Extravagance, and its companion, idleness, were the overthow of all the ancient republics; ay, and of the modern ones too; and little San Marino shines forth a phenomenon for admiration, saved from the wreck which has overtaken others, by her poverty and parsimonious economy.

The union of the Government with the banks is calculated, I have said, greatly to influence the natural evils of the banking system. Some of them I have already mentioned; but one remains for me to advert to, not among the least, if not the very greatest. This is, the mischief of sudden expansions and contractions. To this mishief no one can be insensible, for all have in one way or other felt its force. It has a tendency to make us a nation of gamblers, by the constant stimulus to that spirit, which finds a place in almost every bosom, from the savage to the sage, & which