

[Continued from fourth page.]  
therefore left to sustain herself. What is to measure her loans to the community, but a sense of her own safety? What is to be the judgment she is to form of the experiment now on trial, but her own judgment? She considers, and, according to the report of the committee, she is bound to consider, that the sentence of death has gone forth against her; and if this be so, what principle compels her to put the capital of her stockholders at risk upon the issue of an experiment?

The alleged pressure by the bank in August and September, 1833, with a view to coerce a recharter, requires to be particularly considered, for two reasons: first, because it is believed that what the bank has done, is doing, and will probably be forced to continue to do, is in perfect coincidence in all its parts with the plan which the secretary intended, by the removal of the deposits, to force upon the bank and the country.

1. The imputed design of the bank to coerce the renewal of its charter, is an inference from the mere fact of its reductions. There is nothing else suggested to justify the imputation, and its propriety is consequently not to be made either more or less clear by argument. If such was the design of the bank, it is impossible to imagine any plan that could more effectually have promoted it, than that of the secretary. The fact of pressure and distress in August and September, 1833, is now known to have been assumed as a motive for the removal, without sufficient evidence or consideration. Pressure, and distress are, it is true, terms which indicate comparative rather than absolute difficulty and therefore, it is not easy to prove that the payment of debts to a bank is not always the occasion of some pressure and distress to those who are compelled to pay. But such are sufficiently at ease to consider what was the condition of the country during the sixty days which preceded the removal of the public deposits, and to compare it with that which it has assumed in the course of the last two months, will admit that the state of the country, up to the hour of removing the deposits, was a state of comparative ease. In the now established sense of pressure and distress, the commercial cities and the country, up to the removal of the deposits, were wholly exempt from every appearance of either. That justification of the secretary's motive fails therefore entirely in point of fact. Had any such pressure existed, the intention to remove was so justly apprehended, for months before it was executed, and the reductions by the Bank of the United States in August and September were so indispensable to her safety, in the extraordinary relation in which the treasury was about to place her, that few persons, who consider the subject dispassionately, would be inclined to infer a purpose of coercion from that which could be so much more naturally traced to the motive of self-protection.

2. But the conclusive answer to the secretary's reason is, that what the bank did, is doing, and must continue to do, was, and is, and will continue to be, the inevitable effect as well as the declared purpose, of the secretary's plan. That plan seems of late to have been put aside for the more satisfactory occupation of censuring the bank. It deserves to be recalled to the consideration of the house. It is to be recollected that the secretary assumes as a postulate, that the notes of the bank, as soon as the charter expires on the 3d of March, 1836, "will lose the peculiar value they now possess, and the notes payable at distant places become as much depreciated as the notes of local banks; and if in the mean time no other currency is substituted in its place by common consent, it is easy to foresee the extent of the embarrassment which would be caused by the sudden derangement of the circulating medium." The secretary then proceeds to say, that "it is of the first importance to the interests of the public, that these notes should all be taken out of circulation before they depreciate in the hands of individuals who hold them; and they ought to be withdrawn gradually, and their places supplied as they retire, by the currency which will become the substitute for them." The secretary then immediately inquires, "How long will it require for the ordinary operations of commerce and the reduction of discounts by the bank, to withdraw the amount of circulation before mentioned, without giving a shock to the currency, or producing a distressing pressure upon the community?" The secretary answers his own question—"I am convinced that the time which remained for the charter to run after the 1st of October, (the day on which the first order for removal took effect,) was not more than was proper to accomplish the object with safety to the community; and if it had depended on my judgment at an earlier period, I should have preferred, and should have taken, a longer time." Here, then, is the secretary's plan distinctly announced. The bank was to be compelled to withdraw all her notes from circulation before the 3d of March 1836, and was to begin forthwith, as the whole time that remained was not more than enough. The secretary would have taken more if he could, and the bank, by taking the two months before the removal, did but assist the design of the secretary. The secretary himself perceives that the bank can effect the recall of the notes only by reducing the

discounts. His plan, therefore, was to compel reduction forthwith by removing the deposits. This is demonstrably plain. It admits of no doubt whatever. The extent of reduction necessary to produce this effect, was consequently the very extent of reduction which the secretary meant to force upon the bank, and by reduction short of it less than he intended. Now, it is equally clear that nothing could call in the whole circulation, but calling in all the discounts and closing the bank. With the first discount the first bank note went out. The last note may be expected to come in with the last loan that shall be repaid. The secretary's plan to take all the notes out of circulation before the 3d of March, 1836, was therefore a plan to call in all the discounts before the same day; and in what way sixty-four millions of discounts, the amount in August, 1833, could be called in, in thirty-one months at a less rate than two millions per month, remains to be shown. It is impossible to show it. The bank has not, in fact, called in ten millions in six months; and more than what she has called in has been taken away from her by public and private depositors. The rate of reduction has been less, consequently, than the secretary's plan required, and there must be more reduction if the bank does not mean to defeat the plan of the secretary.

One alternative only is then presented to those who object to the reductions of the bank. Either the bank has not yet reduced enough, for she has not been able to reduce her circulation at all, or the whole scheme is exploded the instant it is subjected to practice. It is obvious that the only measure which the secretary deemed repugnant to the interests of the country was the extension of discounts by the bank, or the continuance of their amount as it stood at the time of the removal. Reduction was the agent and the only agent that he intended to use. If the plan of the secretary is to be defended and maintained, complaints of reduction by the bank, far greater than she has ordered, will be without color of justification, since far greater reductions will be necessary to effect his plan. If, on the contrary the plan is to be abandoned because it is utterly impracticable, it ought to be wholly abandoned, and the path of wisdom as well as of justice will then be found in a return to the point of departure. The fact unquestionably is, that the removal of the deposits, the reduction of discounts, and the consequent reduction of the bank circulation, have been considered without the slightest reference to the complex state of pecuniary relations existing in the country. The whole process has been regarded as a mechanical affair, of which all the details would quietly come out as necessary results of the first measure. No allowance has been made for the consequences of confidence broken up, of the interruption of that regular series of receipts and payments, by which the resources of the creditor and debtor are alternately repaired, of exposing to trial or even to suspicion, the fragile virtue of those state banks that are able to live upon their reputation merely because it is not questioned, and of attempting to take out a powerful machine, while it is in full operation, the wheel that balances, and regulates the whole. No allowance has been made for any of these consequences, by those who have led to their occurrence; and now when we are surrounded by them, and cannot escape from them, even the plan which has caused them is forgotten in the censure of the bank for conforming to it. The bank is but travelling in the path which the secretary prescribed, and to which the removal of the deposits, and the collection of the revenue through other banks, must inevitably confine her. Her resources for general relief have been taken away, and given to those who cannot use them. Her ability to secure the return of what she lends in the sound currency in which she lends it is also gone. The whole country perceives that what is wanted is security for the future; and while the plan of the secretary shall be prosecuted in any of its parts, the people will not believe that a single day of the future is secure. This universal distrust and apprehension, and not the operations of the bank, will be received by the dispassionate observer as the solution of the difficulties which now surround us; and whatever will remove this distrust and apprehension, and nothing short of it, will provide the remedy. The return of the deposits, is, in the judgment of the minority, an indispensable part of this remedy, due by public faith to the bank due also by public policy as a declaration of peace between the treasury and the bank. But they cannot regard the mere return as affording the promise of a radical cure. The eyes of the nation are now intently fixed upon the currency. If the present bank is not to be re-chartered, something to regulate the currency must be provided in its place. The plan of the secretary gives over the regulation to state banks, which will themselves be promoters of the disorder. The country requires something which

will regulate the state banks. Until this is effectually provided, the minority have no expectation that distrust and apprehension will disappear, however they may be diminished.

VIII. The remaining reasons of the secretary may be classed under two heads; acts by the bank in violation of its charter, and an act or acts of unfaithfulness in the execution of its duty to the treasury. Under the first must be included the constitution of the exchange committee of the bank, the alleged exclusion from that committee of the directors appointed by the president of the United States and the expenditure of money for printing and circulating pamphlets. Under the second no fact is particularly noticed by the secretary, but the case of the French bill.

1. In relation to all the operations of the bank included under the first head, it must be answered, that whether the bank has been right or wrong, her board of directors assert the legal right to do whatever has been done. Her American stockholders also, who, with the fullest knowledge of all the circumstances, have repeatedly elected the same directors, assert the same right, and approve the acts which have been done in execution of it. If these acts are not in violation of the charter, they are mere acts of administration or management of the bank, which the United States as stockholder have agreed to commit to the discretion of the board of directors.

The directors appointed by the president have no veto upon the resolutions of the board. The president has no such veto. If the resolutions are lawful, the charter, and all the stockholders public and private, as parties to it, must be considered as having committed to the directors the entire discretion to make and execute them. They may have been inexpedient, and if they have been, the corrective is to be sought in the annual elections. They may have been deemed inexpedient by the directors appointed by the president, but if they have been, the law has determined that they are legally bound by the voice of a majority of the board. Upon questions of administration within the legal competency of the board, there is no more justification of an attempt to tear the bank to pieces, by a part of the directors, or by the treasury department in support of them, because the voice of the minority is not respected, than there would be for an attempt by a state or states, for the like reason, to sever the Union. All the parties to the compact have agreed that questions of administration within the lawful competency of the legislature, whether of the bank or of the Union, shall be decided by a majority, and if they require correction, that they shall be corrected by a majority, and in no other way.

[Concluded next week.]

#### From the Globe. REPORTED CONVERSATIONS OF THE PRESIDENT.

We have refrained from a particular notice heretofore of the reports of the various committees that have waited upon the president on the subject of the distress which was alleged to have fallen upon the country. Although many of them have been obviously designed to give false views of the opinion and sentiments of the president, we saw that the discernment of the public wanted no aid from us to point out their error in this respect, and supply what was necessary to vindicate the president.

Now, however, that the source of such misrepresentation is in a great degree exhausted, it may not be amiss to advert briefly to the prominent views which the president is understood to have expressed in connexion with the subject which now so generally engages the attention of the public, and which he has avowed in several of the interviews held with the committees to whom we have referred.

1st. Among these we number his opinion that the present bank of the United States is unconstitutional, and dangerous to the liberty and morals of the people; and that all national banks, organized upon the principles of the present, are liable to the same objections, and are therefore not contemplated by him as a substitute.

2d. That the state banks can be made safe depositories for the funds of the government, and useful instruments, under suitable regulations prescribed by congress for transmitting the public moneys from place to place, and securing solvency and uniformity to the currency of the country. Towards the attainment of these objects, the president has been represented as looking alone to the action of the secretary of the treasury, independently of the sanction of Congress. Such, we feel assured, has never been the case. Whatever measures have been contemplated by him as necessary, after the discontinuance of the present bank of the United States, they have uniformly been considered as subordinate to the general authority of Congress over the whole subject of the revenue; and all his suggestions on the subject have been made with no other view than that of urging the timely interposition of this authority to give permanency and success to the determination to dispense with a national bank as a fiscal agent of the Government. Within these limits it was obvious that all the great interests of the country, affected as they

are by the condition of the money system, must have engaged his attention; and it was natural that he should speak of them, in connexion with the legislation which they called for, with the frankness that became the chief magistrate. And

3d. In respect to the currency. Regarding the constitution as contemplating no other national currency than that of a metallic one, he is understood to entertain the opinion, that among the greatest of the evils attending the operation of the bank of the U. States, has been its tendency to defeat this important object. He has accordingly had an eye to the condition of the country, as at present affected by the system of banking, in the considerations which have guided his suggestion in regard to the employment of the State Banks as a substitute for the U. S. Bank. Sensible that an immediate return to the metallic currency would be productive of great embarrassment, if not impossible, at the present time, he has turned his attention to such expedients as would mitigate the evils growing out of the present system. Among these the most practicable one that has occurred to him, is that of authorizing the secretary of the treasury, as far as Congress has the constitutional power, to use the public deposits so as to encourage the gradual suppression of the issues of small bank notes—beginning with five dollars, and so on gradually to such a scale as would be found consistent with the wants and interests of the country. It cannot be doubted, that such a law, judiciously guarded, would in a short time greatly enlarge the specie circulation, and in conjunction with a law changing the standard value of gold and silver, so as to prevent the undue exportation of gold, which, instead of forming a material part of the currency, has, by the operation of the present laws, been converted into a mere mercantile commodity—a suggestion which the president has frequently made—would place our currency beyond the reach of those fluctuations which are now so much complained of.

In illustrating the necessity which existed for some such restraint as this upon the bank issues, the president has, no doubt, made frequent reference to the vast amount of such circulation, compared with the specie which it represents, and has condemned, in strong language, a system that is well calculated to produce bankruptcy, and derange the sources of credit. He has drawn the just distinction between those classes of society that labor, and those that do not; those that earn their living by the sweat of their brow and constitute the bone and muscle of the country, defending it in war and supporting it in peace—and those who live by their interests in the stocks and the various speculations that are favored by an extension of bank credit. He has endeavored to show that the burden of the present system falls almost exclusively upon the former class, and that while they are thus injured, there can be no benefit to others to justify its continuance.

In this view of the subject, it can be hardly necessary to notice the various statements that the bank partisans have made of the president's declarations respecting those who borrow money. If there be any among the various committees that have conversed with him, who really objected to his views in regard to the evils of extensive bank loans, they have doubtless not weighed maturely his words, or the sentiment they were intended to express. No man of candor can suppose that the idea that all borrowers of money ought to break, or that credit, in its proper forms, should be discouraged, was even for a moment harbored by the president. Yet every one must see that there are excesses in the resort to credit, favored by the banking system of the present day, which are calculated to do incalculable mischief, and which may well call forth the severest rebuke from the patriot and statesman.

On this branch of the subject we feel assured that the president must have left upon the mind of all who have conversed with him, a deep impression of the solicitude to see the laboring class of the country freed from the unnecessary tax which it now pays to the evils of banking; and that he has expressed no sentiment in regard to other classes of society, which was contrary to the wish that their interests should receive all the consideration which the legislation of Congress could bestow upon them, consistent with the general good. His motto is, Let labor have security, prosperity will follow—all other interests rest upon it, and must flourish if it flourishes.

Governor Marcy forgot himself in recommending a loan to the safety fund banks of five or six millions. General Jackson has recently declared that "all who do business on borrowed capital ought to break!" How dares the governor, then, to place the banks of "the party" in a position which will justify Gen. Jackson in breaking them? Or, is it the true reading, that all their political opponents, who do business on borrowed capital ought to break?—N. Y. Com. Adv.]

It is an historical fact, worthy just now to be remembered, that the banks in Europe were the first fruits of the republic; and their birth was coeval with the rupture of the feudal chains in Italy. The bank of Amsterdam and the bank of England sprung directly from the revolutions which gave freedom to those nations.

## VANDALIA:

THURSDAY, APRIL 24, 1834.

—A lecture, on an interesting subject, will be delivered on to-morrow evening, at early candle lighting, in the Presbyterian church, by J. ABBOTT. Citizens are respectfully invited to attend.

The *Rushville Convention*, called for the purpose of moving the seat of government, met at the place designated, the 7th inst. Col. SAMUEL ALEXANDER was appointed chairman, and HART FELLOWS, esq. secretary. The deliberations, which were continued nearly a whole day, resulted in the nomination of Springfield as the most proper place for the future location of the seat of government. The proceedings are published in to-day's paper: the address is necessarily omitted till next week. Both the proceedings and address, furnish a very convincing, or new considerations in favor of the eligibility of the place selected. The question remains much as it was before the convention. As far as the general good is concerned, it might as well have been announced, through the public prints, that Springfield ought to be voted for because it ought; and in that way, the trouble and perplexities of a convention (which in this instance seem great) dispensed with.

From the proceedings, it would seem that little unanimity prevailed in the assembly; nothing like deliberation or inquiry was entered into; the whole transaction has the appearance of a manoeuvre, to give the authority of a convention to a previous determination. The minority, including nine delegates, out of thirty-six whose names are reported, have published a protest over their own names. They accuse the majority of partiality and injustice, of unpatriotic and tyrannical conduct, and of using the force of numbers to prevent inquiry and a fair hearing. Of this, we pretend not to judge. The delegates must settle the dispute among themselves; we only "tell the tale as 'twas told to us." In our opinion, which we have often expressed before, it is premature to agitate the subject, the proper and most amicable way of disposing of the law, is to pay no attention to it; but if measures are to be pushed to extremities, the good people of the south should be awake. It may be well to keep an "eye out" upon the measures of the subjects of the "Empire."

We copy, today, part of a report from the committee of claims, of the House of Representatives, and a bill providing indemnity for horses and property, lost and destroyed in the late Indian campaign. The report fully concedes the justice of our claims; the measure receives the approbation we believe, of all our representatives, and if it be urged with becoming spirit and perseverance, it doubtless may be carried. Gen. Duncan, in a note to the editor, states his opinion that the bill, as reported by the committee, will probably pass without opposition.

*History of the Black Hawk war*, by JOHN A. WAKEFIELD, esq. We have seen a copy of this work. It is a duodecimo of 150 pages, very neatly executed. Our leisure has not permitted us to examine it carefully; yet from the slight inspection we have been able to give it, we think it presents an accurate and concise account of the transaction to which it relates. Mr. Wakefield is not a book maker by profession; yet in this attempt he has acquitted himself of his task in a manner decidedly creditable, considering the resources and means he had at command. His work is one of much interest, particularly to those engaged in the late Black Hawk campaigns.

GENERAL BLAIR—A representative in congress from South Carolina, terminated his life the 1st inst. by his own hands. A Washington correspondent says: It has been thought by many, that the Gen. was in a state of derangement for some time previous to his decease. He committed suicide by shooting himself through the head with a pistol. The act was done in the presence of governor Murphy of Alabama, who a moment before was engaged in reading a letter to the general, in which he was interrupted by Mr. Blair expressing a wish to take something to drink. Mr. B. advanced to the table as if for the purpose he had avowed, opened the drawer took out a pistol and fired, before Gov. Murphy had any intimation of what he was doing. He fell dead without a struggle.

The Shawnee town Journal of the 19th, says. —Leadbetter who was, at the recent term of the circuit court of White county, tried and found guilty of the murder of his brother, is to be executed, the 30th inst. near Carmi.

The *Sangamon Journal* appears much excited at our brief remarks upon the communication of "A Jacksonian," and deals with us in terms which would abstract nothing from the general merit of his paper if they were omitted. His passion, in the present instance, reminds us of a gentleman we read of, not long since, in the *Journal*, who "felt tremendous ire within him burn," not because he was called a liar, but because he was proved to be one. The *Journal's* anger seems to be awakened, not because he is reminded of the sale and transfer he has made of himself, but because the evidence of the fact is so plain that it cannot be mistaken.

As the public are not greatly interested in newspaper quarrels, especially when the contest must be carried on, as it would seem it must be in this instance, by personalities, we shall not speak "to the merits" of our cotemporary's fulmination. Several of his thrusts,—either because he does not know, or does not choose to recollect the change in the proprietorship of the *Whig*,—are wide of the mark; the strength he has exerted in dealing them is lost.

We said we should not reply to the *Journal*. One thing, however, we must notice. Its malignity, (not to give it a baser name which would fit as well) is too palpable to be passed without remark. The *Journal* asks: "Why has he [the *Whig*] opposed Gen. Henry and insulted his friends?"—and answers: "Because he knew that if Gen. Henry was elected, his [the *Whig's*] character would be rightly appreciated." We have not opposed Gen. Henry; and if we have, we hold ourselves accountable to no man for it; it is no business the *Journal* need concern himself with; we oppose and propose what and whom we please without asking leave of any body—much less of an editor who can be bought for "a mess of pottage." Insulted his friends! We call on the *Journal* to reconsider this passage in a calmer spirit than when he penned it, and if he see cause, to point when, where and how, retract, or leave himself liable to the imputation of uttering a malignant falsehood. To put the matter into a tangible shape, the editor of the *Journal* (there are two of them, but it will be understood which I intend) was the friend of General Henry. Do you, then, sir, feel yourself insulted by anything we have said about either Gen. H. or his friends? If you do, say so; if not, as you wish to maintain the character of a gentleman, say so likewise. We wish to make short work. His character will be rightly appreciated! That is exactly what we want; we wish, especially, that our character may be known and "rightly appreciated" by all who have any dealings with us. But we probably understand the *Journal* as he intended to be understood, which evidently is in no good sense. We think, sir, we "rightly appreciate" your remark; and shall only say, if you have any thing to offer on the score of character, we shall be happy to meet you in a discussion of any sort.

Our dates from Washington are to the 8th. The deposit question was decided in the House of Representatives, on the 4th by the adoption of the resolutions recommended by the committee of Ways and Means. The vote against a recharter passed by a majority of 53; the vote against a restoration by 119 to 104; for continuing the state bank as depositories of the public money, 117 to 104; the vote for the appointment of a committee to investigate the affairs of the bank stood 174 to 41. We shall insert the yeas and nays next week for occasional reference hereafter. Gen. Duncan's vote is recorded in the negative on each proposition except the last. In these votes he faithfully represents his constituents.

On the subject of the above vote, the *Intelligencer* of the 8th remarks:—"Our readers must not, from the state of the vote in the house of representatives, on Friday last, take up the impression that there is a majority of fifty votes, as would appear from the face of the record, against a bank of the United States. No such thing. There are a number of friends of the president who are ready at any moment to vote for a new bank if they do not themselves intend to propose one. There are others, friendly to the renewal of the charter of the present bank with certain modifications of its charter. But the previous question prevented all modification or amendment of propositions, and obliged members to swallow the dose just as the doctors had compounded it, or reject it altogether. The bill, which passed the last congress for renewing the charter of the bank, contained modifications of its present charter. Had the question been modified in the same manner in the proposition voted upon Friday, the vote would certainly have been different from what it was, though the result might not have been changed.