

cessary to the Government of this country. No country having a mixed currency could do without it. It was necessary to trust the finances of the country to some agency. The fate of this bank, established by the democratic party, Mr. K. said, was extraordinary; and he proceeded to show the injustice and inconstancy of the Administration towards it. If Mr. Biddle lay down, he was useless; if he stood up, he was impudent; if he sat down, he was suspicious; if he expanded, he was bribing the country; if he contracted, he was ruining the country. If he imported specie, he was speculating upon the country; if he exported specie, he was conspiring against the country. In short, whether he passed above or below the President, he equally muddied the water. Mr. K. referred to an attack on the bank by Mr. NILES, for not exporting specie in 1832, & compared that with the late policy of the Administration in regard to the exportation of specie. In truth, Mr. K. went on to say, that institution had, by shipping five millions of specie, performed an operation more favorable for this country than ever could be expected from an institution which had been warred against as it had been.

Mr. K. referred to all these things to vindicate himself and others who had always entertained these opinions of the bank; and not meaning to indicate any course on his part in relation to a bank variant from the opinions of the mass of his constituents, which, when he last heard from them, were, he believed, averse to a national bank.

Mr. K. made also a number of remarks in defense of the Bank of the United States against the charge of having used its influence for political purposes. He denied that the Bank had meddled in the politics of the country, and he dared any man to place his finger on a single instance in which the bank had done so—at least before the late President had commenced his war on the bank—a war which originated in the refusal of the bank to make its management subservient to party purposes.

Mr. K. next referred to the declaration made by Mr. CALHOUN on a former day, that he would not now take the Bank of the United States as a bank of public deposit, even as a State institution, because, after the war against it, it would give the bank a triumph over the Government. Mr. K. confessed himself shocked by this declaration. A triumph! Mr. K. exclaimed; a triumph against the Government? What Government? Mr. K. had thought that the Government of the United States consisted of Congress and the President. But did the gentleman mean the government of the *Hermitage*, or the Government of the *White House*? Mr. K. dwelt on this topic with point and strong feeling.

Mr. K. here again referred to the present condition of the country, and observed that the last four years had brought more gray hairs on the head of this young and vigorous country, than ought to have grown there, in a quiet and ordinary administration of the Government, in a whole century.

Mr. K. continued to debate on these and various other kindred topics, and concluded by expressing the hope that time and reflection would tend to bring about wiser views and greater harmony of action on the momentous subject; and to give time for this, concluded by moving a postponement of the subject till the first Monday in December next.

After some explanatory and interlocutory remarks by Messrs. STRANGE, NILES, CALHOUN and RIVES.

Mr. TIPTON rose. He said the question now under consideration was of so much importance to the People of the State which he had in part the honor to represent here, that he felt it to be his duty to claim the indulgence of the Senate a short time, while he gave his views on some of the topics that at this time engaged the public attention from one end to the other of the country. In a time of profound peace, surrounded, as we thought, by all the elements of prosperity, we are suddenly arrested in our onward march by a wide spread desolation, commerce crippled, public credit injured, private fortunes ruined, and the public treasury bankrupt. The late session of Congress had but just closed, the members had scarcely had time to return to their homes, when we are summoned to return to Washington to legislate the Government out of its difficulties, and we find ourselves here in September instead of December, engaged in deliberation on the mode and manner of relieving the distresses of our country.

The inquiry naturally addresses itself to every mind, why is this so? What has produced it, & what is the remedy to be adopted? The honorable Senator from South Carolina, (Mr. CALHOUN,) when he proposed his amendment to the bill under consideration, a few days ago, told us that this question should be met boldly and manfully; to use his own words, let every one (said he) show his hand! (said Mr. T.) responded to that noble sentiment of the honorable Senator; the question should be met boldly and fairly; this is a time of deep anxiety with our constituents; there should be no skulking among their public servants; every one should speak freely of the causes which have produced the present embarrassment, and act promptly on such measures as will relieve the People.

It was his opinion that the putting down of the Bank of the United States was the first step to the present embarrassment; the transfer of the public deposits from that bank to the local or State banks stimulated these institutions to extravagant issues, far beyond their ability of redemption; they discounted notes on the public deposits, extending their lines of discount beyond the bounds of prudence; the people in the neighborhoods of the banks, finding that bank accommodations could be had with facility, entered largely into speculations in public lands, town lots, and other property; extravagance in living as well as in dressing, increased their indebtedness; in a word, sir, the whole country overtraded, ceased to labor, and contracted debts beyond their ability to pay; speculations were uponmost in the minds of every one.

The Executive of the United States, seeing the public domain rapidly exchanging for credit on the books of the banks, determined to check it, and issued his Treasury order of July 11, 1836, directing that nothing but gold and silver should be received in payment for the public lands. Under the operations of this order, those engaged in purchasing public lands had to procure bank paper, draw the specie from bank and transport it to the land offices; it was no sooner paid into the land offices than the receivers of public moneys deposited it again in the banks to the credit of the Government; thus the indebtedness of the banks was daily and rapidly increasing; the bankers, fearing that the public deposits would be called for in metal, became alarmed at their own condition, closed their doors, and suspended specie payment, thereby putting it out of the power of this Government to pay the public dues according to law, in specie or its equivalent.

This (said Mr. T.) is a brief statement of the causes which have produced the present embarrassment and distress that surround us; it was an unfortunate tam-

pering with the currency and the public deposits by the Executive of the United States. Our troubles have come sooner, but came lighter than they would have done had the Treasury order never existed.

Now for the remedy. The bill reported from the Committee on Finance, imposing additional duties on public officers, as he understood it, intends to cut loose the Government from all banks, and to authorize the Treasury Department to keep and disburse, as well as collect, the whole revenue of the Government, dispensing with banks as fiscal agents altogether. This policy, he thought, might well be questioned; it would strike a portion of the American People like shock of electricity, on account of the increased patronage and power it must confer on the Executive arm of the Government. He would not declare in advance that he would not go for it, but he would be slow in yielding it his support; and he hoped that a better remedy could be found. He had never been an advocate for using a litter of State or local banks as fiscal agents of the Government; they contain within themselves antagonist principles, each possessing separate views, and looking to the interest of their own stockholders; they cannot or will not act together in transmitting or disbursing the public money of the United States; and so long as they are used as depositories of the public money, embarrassments and occasional losses may be expected.

Mr. T. said that he was opposed to taking any course

here that would have a tendency to cripple or to break down the State banks; the People were encouraged to establish State banks, to keep down a Bank of the United States; they had vested their capital to a very large amount in these institutions; many of these banks were perfectly solvent and safe; none more so than the banks of the State from which he came. The banks of Indiana were waiting to see what Congress, the Executive, and other banks could or would do, intending, at an early day, to resume specie payment, and honestly to redeem all their paper, and he could give no vote to discourage or procrastinate so desirable an object. It was true that the banks had not acted well in suspending specie payment and embarrassing the Government, but we should deal mercifully with them; a single breath from the Executive, saying to the State banks we will no longer receive your paper in payment of duties and sales of the public lands, will strike fifty percent off the value of all the property of our constituents vested in these banks, indeed, of all the property, of every description; and he was not prepared to sanction such a course. In the language of the West, give us land office money; whatever will buy land, is as good as gold—is at par in all moneyed transactions in the Western States. No matter however old or ragged paper may be, if it contains words, letters, and figures enough to be receivable for public lands, it is as good as gold, and it matters not what kind of money it may be; if not received in the land office, it is of uncertain and changeable value. It finds its way into the hands of the poorer class of the community; they are liable to be imposed on and shaved by the rich, in whose hands the better currency was always found. This would be the effect on the Western people, if we refuse to receive the paper of their banks in payment for the public lands; and he left it for Senators representing the interests of banks east of the mountains to say what would be its effect on the interests of their constituents, should the General government refuse to receive their bank paper in payment for revenue; above all things, Congress should establish and maintain a uniform currency.

Have gentlemen forgotten how forcibly the honorable Senator from South Carolina (Mr. CALHOUN) described the influence of this Government on currency the other day, when he said, if the United States would endorse the note of the beggar, it will pass at par? and will that Senator now say to a very large proportion of the People of this country, we cannot receive the paper of your banks for public dues, when by that single act we will bankrupt thousands who have strong claims both on the justice and the clemency of this Government?

Mr. T. said he would not detain the Senate by an attempt to show what effect the measures before it would have on our commerce or exchanges; he left that to a better hand. He pretended only to take a plain common sense view of the mischievous tendency on the interest of his immediate constituents, and to enter his protest in their behalf against the ruinous consequences that must follow the passage of the bill with the amendments proposed. He said the course that he had marked out for himself to pursue compelled him to vote against the amendment proposed to this bill by the honorable Senators from South Carolina and Missouri. Their amendments, if adopted, look to a refusal on the part of this Government at an early day to receiving or using, in the ordinary transactions of this Government, the paper of all banks, and a return to a metallic currency. This, said he, looks well on paper, but it was impossible, in his opinion, to reduce it to practice. There surely was not metal enough to answer one-half the business transactions of this great and growing country. It was on a mixed currency, partly paper issued on a metallic basis, that our country reached the summit of its prosperity, and who could ask more than to be placed where we were in 1831?

We would vote for the proposition offered by the Senator from Virginia when it came up. It looked more like preserving the property of the People vested in the State banks. Let us collect from the late depositories the public money now in their vaults; but, in doing so, let us give time for them to pay us without crushing these institutions. This would enable the banks to indulge their creditors, and go far to relieve the embarrassment under which our country was suffering. He cared not what these in high places thought he considered the duty of this Government to relieve the People, when that could be done with an eye to public justice. Congress now had the power of relief, and, in his opinion, this was a proper occasion on which to exercise it.

The frequent charges thrown out by the late President in his messages to Congress against the Bank of the United States had a tendency to discredit it with the People, and we all witnessed its downfall. The constant lauding of the State banks by the President and his Secretary of the Treasury as depositories of the public moneys, encouraged the People to take stock in these banks. They grew up, as it were, under Executive favor; and will Congress now lend itself to break them down? The regulation of the currency, and the depositories of public money, if we intend to avoid embarrassment and loss, should be under laws passed by the joint wisdom of Congress, and not left to whom of a President and his Secretary.

If the bills which had passed the Senate authorizing an issue of Treasury notes, and that authorizing the collection from the depository banks, became laws, he would glad to see this extra session come to a close, and let us return to our masters the People, and consult them on what is further to be done. He did not stand here to register the Executive will; he looked to the boys of the West, those with hard hands, warm hearts, and strong arms, who fell the forest, hold the plough,

and repel foreign invasion, for his instruction; it was their voice he felt bound to obey; it was their wishes and interests he came here to represent. If the Executive desires the additional responsibility of keeping and disbursing, as well as of collecting, the revenue of the country, he now enjoys it under the regulations of the Treasury Department since the suspension of specie payments by the depository banks; and he warned honorable Senators, who like himself, wished to sustain the present Administration, provided its conduct entitled it to the support of the People, to be careful how they entered on new and dangerous experiments. If he were bent on breaking down an Administration, he would give up to it the unremitting control of the public money of this Government. He could not vote for the bill reported from the Committee on Finance, but he would vote for the motion of the Senator from Georgia to postpone this whole subject to the next session of Congress, when we shall have an opportunity to ascertain the wishes of our constituents; it is good for us occasionally to consult the sovereign People.

It is becoming very common in almost every part of the country, to issue *shinplasters*. We think a few *headplasters* would be more beneficial if duly applied.

TO CORRESPONDENTS.

Our friend IGNORUS cannot have a place in our columns. Two weeks ago we published a well written piece of prose over this same signature; and we think it would be doing the author great injustice to publish this badly written article over his signature.

TWENTY-FIFTH CONGRESS.

FIRST SESSION.

IN SENATE.

TUESDAY, SEPTEMBER 26, 1837.

ADJOURNMENT OF CONGRESS.

The joint resolution proposing to close the present session of Congress on the 9th of October was taken up, and agreed to.

It was also ordered that the daily meeting of the Senate shall hereafter be at 10 o'clock till otherwise ordered.

A NATIONAL BANK

The Senate, on motion of Mr. WRIGHT, took up the resolution reported by the Committee on Finance, declaring it inexpedient to establish a National Bank.

After a debate of three hours, in which a large number of Senators took part, and the rejection of several amendments.

The resolution of the committee was agreed to—Ayes 31, noes 15.

[The debate, and the votes on the various questions will be given as early as practicable.]

The bill to remit the duties on certain goods destroyed by the great fire in New York;

And the bill making additional appropriations for the suppression of Indian hostilities for 1837; were severally read a third time, and passed.

THE SUB-TREASURY BILL.

The Senate then resumed the consideration of the sub-Treasury bill.

Mr. MORRIS moved an amendment; which, after some conversation, was accepted by Mr. CALHOUN as a modification to his own amendment.

The modified amendment was then ordered to be printed; and,

On motion of Mr. LYNN, the Senate proceeded to the consideration of Executive business, and, on opening the doors, adjourned.

WEDNESDAY, SEPTEMBER 27, 1837.

Mr. TIPTON presented a petition of citizens of Indiana, for revival of the pre-emption law.

Mr. T. also presented a memorial of the people of Marion county, Indiana, protesting against the conduct of the superintendent of the Cumberland road and praying Congress to authorize the appointment of a superintendent of the Cumberland road in that State.

Mr. PRENTISS presented the following petitions, remonstrating against the annexation of Texas to the United States:

Of Sarah Barnes and 112 other women of Ferrisburgh.

Of Amy Dakin and 52 other women of Addison co.

Of Amy Dakin and 57 other women of Addison co.

Of Abigail R. Hoag and 194 other women of Charlotte.

Of Bathsheba Miller and 90 other women of Westminster.

Of 200 ladies of Brattleboro.

Of 170 male inhabitants of Brattleboro.

Of 173 inhabitants of Topsham.

And of Olivia N. Billings and 204 other women of Bellmont, Vermont.

Mr. MCKEAN presented a remonstrance from sundry citizens of Pennsylvania against the admission of Texas into the Union. Laid on the table.

Mr. WEBSTER presented a petition from Flora Letitia Luna, praying for a pension for public services.

The resolution relating to the purchase of Mr. Madison's manuscripts was taken up and adopted.

THE SUB-TREASURY BILL.

The bill imposing additional duties on public officers, making them depositories of the public revenue, together with Mr. CALHOUN's amendment thereto being taken up.

Mr. WALKER, of Mississippi, addressed the Senate between one and two hours in support of the bill. When Mr. W. had concluded.

Mr. HUBBARD proposed as an amendment, that the words "1st January" in the bill, wherever occurring, be stricken out, and the "31st day of December" be substituted. This amendment was adopted.

[The effect will be to postpone the operation of the bill one year.]

Mr. BENTON offered as a separate amendment, to insert the following: "That it be the duty of the Secretary of the Treasury to cause regulations to be made for the speedy presentation of drafts, wherever payable, and that if any delay should take place in the payment of the same, they may be presented in any other place within the United States."

The amendment was laid upon the table, and ordered to be printed.

Mr. CRITTENDEN then rose and addressed the Senate about an hour, in opposition to the bill.

Mr. RIVES inquired of the Chair when his amendment would come up, which went to strike out all after the enacting clause, and to insert as a substitute his bill.

The CHAIR stated that the question would first be taken on the amendment offered by Mr. CALHOUN, after which, whatever might be the fate of that amendment, whether adopted or rejected, the question would be in order on Mr. Rives's amendment.

On motion of Mr. WEBSTER, the Senate adjourned.

HOUSE OF REPRESENTATIVES.

TUESDAY'S PROCEEDINGS, IN CONTINUATION.

After Mr. MERCER had closed his remarks on the bill for the postponement of the depository of the fourth instalment with the States, Mr. RENCHER, of N. C. Mr. TAYLOR, of N. Y. and Mr. BOND, of Ohio, addressed the Committee at length upon it; when

Mr. CAMBRELING expressed the hope that the question might be taken upon the various amendments, and that the Committee would rise and report the bill to the House. After the fatigues of the sitting of the night before, he felt assured that such would prove a general sentiment.

Mr. WISE, said he had voted for the depository act of 1836, and should vote against this bill. His reasons for this vote he wished to have an opportunity of laying before the House. He had been much deranged in health by the late session of the previous night, and he