

(Concluded from fourth page.)

so that their exact value may be known. When that office is performed, the power is *futuus officiis*; the money passes out of the mint, and becomes the lawful property of those who legally acquire it. They may do with it as they please, throw it into the ocean, bury it in the earth, or melt it in a crucible, without violating any law. When it has once left the vault of the mint, the law-maker has nothing to do with it, but to protect it against those who attempt to debase or counterfeit, and, subsequently, to pass it as lawful money. In the sense in which the Senator supposes banks to conflict with the coining power, foreign commerce and especially our commerce with China conflict with it much more extensively. That is the great absorber of the precious metals, and is, therefore much more unconstitutional than the State banks. Foreign commerce sends them out of the country, banks retain them within it. The distinguished Senator is no enemy to the banks, and merely thinks them injurious to the morals and industry of the country. He likes them very well, but he nevertheless believes that they levy a tax of twenty-five millions annually on the industry of the country. Let us examine, Mr. President, how this enormous and injurious assessment is made, according to the argument of the Senator from South Carolina. He states that there is a mass of debt from the community to the banks amounting to \$475,000,000 the interest upon which, constituting about that sum of \$25,000,000, forms the exorbitant tax. The Senator asks if taxes could be levied and collected in tobacco, in cotton, and other commodities. I submit that they could, and that nothing is more certain than, when you ought to do. Let us suppose that neither branch of the alternative is accepted, and that nothing is done. What, then, would be the consequence? There would be a restoration of the law of 1789, with all its anxious provisions and securities, provided by the wisdom of our ancestors, which has been so trampled upon by the late and present administrators. By that law, establishing the Treasury Department, the treasure of the United States is to be received, kept, and disbursed by the Treasurer, under a hand with ample security, under a large penalty fixed by law, and forfeit, as this law leaves it to the uncertain discretion of a Secretary of the Treasury. If, therefore, we were to do nothing, that law would be revived; the Treasurer would have the custody, as he ought to have, of the public money, and, doubtless, he would make special deposits of it in all instances with safe and sound State banks, as in some cases the Secretary of the Treasury is now obliged to do. Thus, we should have in operation that very special deposit system, so much desired by some gentlemen, by which the public money would remain separate and limited with the money of banks. There is yet another course, unembraced by either branch of the alternative presented by the Senator from South Carolina, and that is to establish a Bank of the United States constituted according to the old and approved method of forming such an institution, tested and sanctioned by experiment. A Bank of the United States which should blend public and private interests, and be subject to public and private control, uniting together in such manner as to present safe and salutary checks against all abuses. The Senator mistakes his own abandonment of that institution as ours. I know that the party in power has barricaded itself against the establishment of such a bank. It adopted, at its last extra session, the extraordinary and unprecedented resolution, that the people of the United States should not have such a bank, although it might be manifest that there was a clear majority of them demanding it. But the day will come, and I trust is not far distant when the will of the people must prevail in the councils of their own Government; and when it does arrive a bank will be established.

The Senator from South Carolina reminds us that we denounced the pet bank system; and so we did, and so we do. But does it therefore follow that, bad as the system was, we must be driven into the acceptance of a system infinitely worse? He tells us that the bill under consideration takes the public funds out of the hands of the Executive, and places them in the hands of the law. It does no such thing. They are now without law, it is true, in the custody of the Executive; and the bill proposed by law to confirm them is that custody, and to convey new and enormous powers of control of the executive over them. Every custody of the public funds provided by the bill is a creature of the Executive, dependent upon his breath, and subject to the same breath for removal, whenever the Executive, from caprice, from tyranny, or from party motives, shall choose to order it. What safety is there for the public money, if there were a hundred subordinate executive officers charged with its care, whilst the doctrine of the absolute unity of the whole executive power promulgated by the last administration, and persisted in by this, remains unbroken and unbroken.

While the Senator from South Carolina pretences to be the friend of state banks, he has attacked the whole banking system of the United States. He is their friend, he only thinks they are all unconstitutional. Why? Because the coining power is possessed by the General Government, and that coining power, he argues, was intended to supply a currency of the precious metals; but the state banks absorb the precious metals, and withdraw them from circulation, and therefore are in conflict with the coining power, according to my view of it, is nothing but a naked authority to stamp certain pieces of the precious metals, in fixed proportions of alloy and pure metal, prescribed by law,

thus where planting agriculture prevails. The states of Alabama and Mississippi, Arkansas, and Louisiana, have almost sprung into existence, as it were, by magic, or at least, have been vastly improved and extended under the influence of the credit system. Lands, slaves, utensils, beasts of burden, and other supplies, have been constantly sought, and still continue to be purchased, open credit, and bank agency is still essential to give the most beneficial operation to these credits. But the argument of the Senator from South Carolina, which I am combatting, would not be correct, if it were true that we have inflated prices on this side the Atlantic, without a corresponding inflation of prices on the other side, because the planter generally sells at home, and buying at home, the proceeds of his sale, whenever they may be, constitutes the means by which he effects his purchase and consequently neutralizes each other. In what do we of the west reserve payment for the immense quantity of live stock and other produce of our industry, which we annually sell to the south and south-west, but that paper medium, now so much decried and denounced? The Senator from South Carolina is very fond of the state banks; but he thinks there is no legitimate currency except that of the Constitution. He contends that the power which the Government possesses to impose taxes restricts it in their payment to the receipt of the precious metals. But the constitution does not say so. The power is given in broad and unrestricted terms, and the Government, left to liberty to collect the taxes in whatever medium or commodity, from the exigencies of the case, can collect them. It is doubtless much the most convenient to collect them in money, because that represents, or can command, every thing, the want of which is implied by the power of taxation. But suppose there was no money in the country, none whatever, to be extorted by the tax-gatherer from an impoverished people. Is the power of government to cause the people to be thrown back into a state of nature? The Senator asks if taxes could be levied and collected in tobacco, in cotton, and other commodities. I submit that they could, and that nothing is more certain than, when you ought to do.

What are banks? they are mere organized agencies for the loan of money and the transactions of mercantile business, regulated agencies, acting under the prescriptions of law, and subject to responsibility, in law and legal, for transacting that under which any private capitalist operates. A number of persons, not claiming to lead out their money privately, associate together, bring their respective capitals into a common stock, which is continually and managed by the corporate government of a bank. If no association whatever had been formed, a large portion of the capital a large portion therefore, of that very sum of \$475,000,000, would still exist, in the shape of private loans. The Senator from South Carolina, in as well collect the aggregate amount of all the mortgages, bonds and notes, which have been executed in the U. S. for loans, and assert that the interest paid on the same sum constitutes his burden upon the community.

In the liquidation of the debt due to the banks from the community, and from the banks to the community, there would not be as much difficulty as the Senator seems to apprehend. From the mass of debts due to the banks due to be demanded first the amount of subscriptions which constitute the principal, secondly, the amount of deposits to the credit of individuals in their custody; and finally, the amount of their notes in circulation. How easily will these mutual debts neutralize each other. The same persons, innumerable instances, will continue to furnish the relations both of credit and debet.

The only general operation of banks beyond their rights and capacities which pervades the whole community, is that of furnishing a circulation in redeemable paper, beyond the amount of paper to be deposited in their vaults. And can it be denied that this additional supply of money furnishes a sufficient stimulus to industry and production, compensating for occasional inconveniences, which sometimes, though rarely occur, banks reduce the rate of interest, and impress immediate injury. The salutary influence of bank-paper has been demonstrated in countries and nations where they prevail, when compared with those in which they are not found;—in the former all is bustle, activity and general energy. The country is beautified and adorned by the works of intense improvement, the cities are filled with splendid edifices, and the wharves covered with the rich production of our own or of foreign climates. In the latter, all is stagnation, desolation, and inactivity. England, in modern times, illustrates the great advantages of banks of credit, and of stimulus to industry. During her long dominion of all these advantages, in ancient times Athens would present an image of full and active enjoyment of all the energies of man, carried to the highest point of civilization, whilst her neighbor, Sparta, with her iron money affords another of the basest benefits of metallic circulation.

The Senator from South Carolina would do the public no harm, but they are deemed by him highly injurious to the planting interest. According to him, they inflate prices, and the poor planter sells his productions for hard money, and has to purchase his supplies at the swollen prices produced by a paper medium. Now, I must dissent altogether from the senator's statement of the case. England, the principal customer of the planter, is quite as much, if not more of a paper country than ours. And the paper money issues of the one country are neutralized by the paper money issues of the other country. If the argument were true, that a paper money country trades advantageously with a hard money country, we ought to continue to employ a paper medium, to counterbalance the paper medium of England. And if we were to banish our paper and substitute altogether a metallic currency, we should be exposed to every inequality which has been insisted upon. But there is nothing in that view of the matter which is presented by the senator from South Carolina. He says, prices were always inflated in this country, beyond their standard in England, the rate of exchange would consequently against us. An examination, however, into the actual state of exchange between the two countries, for a long series of years, evinces that it has generally been in our favor. In the direct trade between England and this country I have no doubt there is a large annual balance against us; but that balance is adjusted and liquidated by balances in our favor to other branches of our foreign trade, which have finally concentrated in England, as the great centre of the commercial world.

Of all the interests and branches of industry

in this country, none has profited more by the use and employment of credit and capital derived from banks and other sources, than the planting interest. I habitually employ credit in all transac-

tions where planting agriculture prevails. The states of Alabama and Mississippi, Arkansas, and Louisiana, have almost sprung into existence, as it were, by magic, or at least, have been vastly improved and extended under the influence of the credit system. Lands, slaves, utensils, beasts of burden, and other supplies, have been constantly sought, and still continue to be purchased, open credit, and bank agency is still essential to give the most beneficial operation to these credits. But the argument of the Senator from South Carolina, which I am combatting, would not be correct, if it were true that we have inflated prices on this side the Atlantic, without a corresponding inflation of prices on the other side, because the planter generally sells at home, and buying at home, the proceeds of his sale, whenever they may be, constitutes the means by which he effects his purchase and consequently neutralizes each other. In what do we of the west reserve payment for the immense quantity of live stock and other produce of our industry, which we annually sell to the south and south-west, but that paper medium, now so much decried and denounced? The Senator from South Carolina is very fond of the state banks; but he thinks there is no legitimate currency except that of the Constitution. He contends that the power which the Government possesses to impose taxes restricts it in their payment to the receipt of the precious metals. But the constitution does not say so. The power is given in broad and unrestricted terms, and the Government, left to liberty to collect the taxes in whatever medium or commodity, from the exigencies of the case, can collect them. It is doubtless much the most convenient to collect them in money, because that represents, or can command, every thing, the want of which is implied by the power of taxation. But suppose there was no money in the country, none whatever, to be extorted by the tax-gatherer from an impoverished people. Is the power of government to cause the people to be thrown back into a state of nature? The Senator asks if taxes could be levied and collected in tobacco, in cotton, and other commodities. I submit that they could, and that nothing is more certain than, when you ought to do.

The argument, then, of the Senator against the right of the Government to receive bank notes in payment of public debts, a practice coexisting with the existence of the Government, does not seem to me to be sound. It is not accurate, for another reason. Bank notes, when convertible at the will of the holder into specie, are so much encumbranced or told specie, like the specie which is coined and put into marked legs, denoting the quantity of their contents. The Senator tells us, that it has been only within a few days that he has discovered that it is illegal to receive bank notes in payment of public dues. Does he think that the usage of the Government, under all its administrations, and with every party in power, which has prevailed for nearly fifty years, ought to be set aside for a novel theory of his, just dreamed into existence, even if it possesses the merit of ingenuity? The bill under consideration, which has been eulogized by the Senator as perfect in its structure and details, contains a provision that bank notes shall be received in diminished proportions, during a term of six years. He himself introduced that identical principle. It is the only part of the bill that is emphatically his. How, then, can he contend that it is unconstitutional to receive bank notes in payment of public dues? I appeal from himself to himself. The Senator further contends, that general deposits cannot be made with banks, and are thus confounded with the general mass of the funds on which they transact business. The argument supposes that the money collected for taxes must be preserved in identity; but that is impossible often to do. May not the collector give the small change which he has received from one tax-payer, to another tax-payer to enable him to clear his payment? May he not change gold for silver, or vice versa, or both, if he be a distant collector, to obtain undoubted remittance to the public Treasury? What, Mr. President, is the process of making deposits with banks? The deposit is made, and credit is extorted for its amount to the Government. That credit is supposed to be exact equivalent of the amount deposited, ready and forthcoming to the Government whenever it is wanted for the purposes of disbursement. It is immaterial to the Government whether it receives back again the identical money put in, or other money of equal value. All that it wants is what it puts in the bank, or its equivalent; and that, in ordinary times, with such prudent banks as alone ought to be selected, it is sure of getting. Again: the Treasury has frequently to make remittances to foreign countries, to meet the expenditure necessary there for our naval squadrons, and other purposes. They are made to the bankers, in the Baring's or the Rothschilds, in the form of bills of exchange, purchased in the market by the agents of the Government here, with money drawn out of the Treasury. Here is one conversion of the money received from the tax gatherer into the Treasury. The bills are transmitted to the bankers, honored, paid, and the amount credited by them to the United States. Are the bankers bound to retain the proceeds of the bills in identity? Are they bound to do more than credit the Government for an equal amount, for which they stand responsible whenever it is wanted? If they should happen to use any portion of those proceeds of bills remitted to them in their banking operations would it be drawing money from the Treasury, contrary to the provisions of the constitution? The Senator from South Carolina contends that there is no constitutional power to contract with the twenty five selected banks, as proposed in the substitute; yet the deposit act of 1838, which obtained the hearty approbation of that Senator, contained a similar provision; and the very bill under consideration, so warmly supported by him, provides, under certain contingencies, for contracts to be made with State banks, to receive deposits of

the public money upon compensation. He objects to these imaginary errors the example deducible from English history. There a bank has existed since the year 1694, and neither has the bank got possession of the Government, nor the Government of the bank. They have existed in harmony together, both conducting to the prosperity of that great country; and they have so existed, and so contributed, because each has avoided cherishing towards the other that wanton and unnecessary spirit of hostility which was unfortunately engendered in the bosom of the late President of the United States.

I am abominated, sir, by my exhausted strength, and by I fear, your more exhausted patience, to hasten to a close. Mr. President, a great novel, and untired measure, is perseveringly urged upon the acceptance of Congress. That it is pregnant with tremendous consequences, for good or evil, is undeniable, and admitted by all. We firmly believe that it will be fatal to the best interests of this country, and ultimately subversive of its liberties. You, who have been greatly disappointed in other measures of equal promise, can only hope, in the doubtful and uncertain future, that its operation may prove salutary. Since it was first proposed at the extra session, the whole people have not had an opportunity of passing in judgement upon it at their elections. As far as they have, they expressed their unqualified disapprobation. From Maine to the State of Mississippi, its condemnation has been loudly thundered forth. In every intervening election, the administration has been defeated, or its former majorities neutralized. Maine has spoken: New York, Pennsylvania, Maryland, Ohio, Rhode Island, Mississippi and Michigan, all these States, in tones and terms not to be misunderstood, have denounced the measure. The key-stone State (God bless her) has twice proclaimed her rejection of it; once at the polls, and once through her legislature. Friends and foes of the administration have united in condemning it. And, at the very moment when I am addressing you, a large meeting of the late supporters of the administration headed by the distinguished gentleman who presided in the electoral college which gave the vote of that patriotic State to President Van Buren, are assembling in Philadelphia, to protest solemnly against the passage of this bill.

As it is right that, under such circumstances, it should be forced upon a reluctant but free and intelligent people? Is it right that this Senate, constituted as it now is, should give its sanction to the measure? I say it in no disrespectful and taunting sense, but we are entitled, according to the latest expressions of the popular will, and in virtue of manifestations of opinion deliberately expressed by State Legislatures, to a vote of 35 against the bill; and I am ready to enter, with any Senator friendly to the administration, into details to prove the assertion.

Will the Senate, then, bring upon your odium of passing this bill? I implore it to forbear, forbear, forbear! I appeal to the instructed Senators. Is this Government made for us, or for the people and the States whose agents we are? Are we not bound so to administer it as to advance their welfare, promote their prosperity, and give general satisfaction? Will that sacred trust be fulfilled, if the known sentiments of large and respectable communities are despised and condemned by those whom they have sent here? I call upon the honorable Senator from Alabama, [Mr. KING] with whom I have so long stood in the public councils, shoulder to shoulder, bearing up the honor and glory of this great people, to come now to their rescue. I call upon all the Senators; let us bury deep and forever the character of the partisan, rise up patriots and Statesmen, break the vile chains of party, throw the fragments to the winds, and feel the proud satisfaction that we have made but a small sacrifice to the paramount obligations which we owe our common country.

**GAZETTE.**  
**VINCENNES.**  
SATURDAY, March 24, 1838.  
FOR PRESIDENT.  
**WILLIAM HENRY HARRISON.**  
We have excluded all else this week in order to conclude Mr. Clay's speech. If our patrons will pardon us this time, we will promise never more to publish such long speeches; at least not until we enlarge our sheet.

We are authorised to announce Elijah Thorn, A. L. Corneyea, and F. Thompson, as candidates for Constable. The election will take place on Monday next.

**J. DONOVAN,**  
Receiving, Forwarding, & Commission  
MERCHANT,  
Vincennes, Ia.

**REFERENCES.**  
Borch & Heisen, Vincennes, Ia.  
G. Crankshank & Co. do  
Bonner & Carman, do  
R. Smith, do  
E. & O. Brown, Clinton, Ia.  
Webb & Shoemaker, Lafayette, Ia.  
Wm. Thurston & Co. Evansville, Ia.  
F. C. Gathway & Co. Louisville, Ky.  
F. B. Tilley, New Orleans, Lou.  
Helford & Sorgenfrey, Vincennes, March 29th 1838—44-4.

**DRIED PEACHES.**  
JUST received and for sale  
10 lbs. first quality Dried Peaches.  
THORN & TRACY.  
Vincennes March 23, 1838—45-4.

## STEAM-BOAT REGISTER.



### ARRIVALS.

March 19, Shylock from Kenhawa
— Salem from Louisville
— Fairy from do
25 Logansport from Lafayette
— Tennessee from do
— Saline from Cincinnati
— Tide from ports above
26 Wm. Hallert from Cincinnati
— Sandusky from Lafayette
— Monroe from do
27 Shylock from ports above
— Troy from Lafayette
29 Tide from mouth of Wabash

### DEPARTURES.

March 24, Shylock for ports above
— Salem for Lafayette
— Fairy for ports above
25 Logansport for Louisville
— Tennessee for "
— Salem for Lafayette
— Tide for mouth of Wabash
26 Wm. Hallert for Lafayette
— Sandusky for Pittsburgh
— Monroe for "
27 Shylock for mouth of Wabash
— Troy for Pittsburgh
29 Tide for ports above

The Wabash River is high—out of its banks

### AN ACT to amend the Charter of the Borough of Vincennes.

Sec. 1. Be it enacted by the General Assembly of the State of Indiana, that it shall be lawful for the Trustees of the Borough of Vincennes as often as may be necessary, to elect a Chairman, who in the absence, sickness, or decease of the President, shall act as President, and have all the powers, and execute all the duties of President accordingly.

Sec. 2. That the Sheriff, Coroner and Constables of Knox county, shall aid the Marshall of the Borough of Vincennes in preserving the peace, and in executing the Ordinances of the Borough; and in case of his sickness or absence, it shall be the duty of said officers to execute as deputies to the Marshall, all such process as may be delivered to them by the President of the Borough Trustee.

Sec. 3. Whenever any person shall be arrested under the authority of the Borough of Vincennes after sunset or before sunrise, or in a state of intoxication, it shall be lawful for the officer making such arrest, to confine the person arrested in the county jail for safe keeping until 9 o'clock A. M. after the arrest in the first case, or until the second case, such unexercised person shall have become sober.

Sec. 4. Whenever any fine shall be assessed or penalty shall be adjudged against any person by the President of the Board of Trustees, such person shall remain in custody, and be confined in the county jail, until such fine or penalty, and all costs, shall be paid or secured to be paid by replevy bond as in the Circuit Court.

Sec. 5. The levy in the practice below Vincennes, and the drains, the ditches, and any canals which are or may be formed under the authority of the Trustees of the Borough of Vincennes for the purpose of draining the ponds in the vicinity of said Borough, and all bridges erected over the same shall be considered public property, and any injury thereto shall be punished accordingly.

Sec. 6. This act, and the act to which this is an amendment, shall be deemed and taken to be public acts, and as such, may be given in evidence without pleading and without proof of the adoption of the same by the people of Vincennes.

Sec. 7. It shall be lawful for the President of the Trustees of the Borough of Vincennes to cause juries to be summoned when necessary.

Sec. 8. This act to be in force from and after its passage.

Approved Feb. 16, 1829.

TH. J