

While the Senator from South Carolina professes 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.

What is illustrated here are problems that are not in the line of money and the transaction of elementary business, reduced to their essence, arising under the prescriptions of law, and subject to responsibility, moral and legal. For transmuting that under which any private capitalist operates. A financial person not choosing to lend on their own, privately, associate together, bring their respective capitals into a common stock which is controlled and managed by the corporate government of a bank. If the association, which here has been formal, has a portion of the capital in large portions (therefore, of that variety of a \$75,000,000), would still sit in the chair of private loans. The greater the amount of the loan, the more it would reflect the more money in all the markets, bonds and notes, money has been exerted in the U. S. States, in banks and over that the interest paid on the total sum could be a tax levied upon the community.

In the liquidation of the debt due to the banks from the community, and from the banks for the community funds, and not for its own difficulty as the creditor seems to be approved. From the prices of things due to the banks can be deducted the amount of interest, which constitutes their capital; 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 consequences, in countless instances, will combine to loosen the relations both of credit and debt.

The only general operation of banks beyond their receipts and payments which pervades the whole community, is that of furnishing a circulation in redeemable paper, less than the amount of the debt deposited in their vaults. And can it be doubted that this additional supply of money increases a general stimulus to industry and production, which stimulates the casual frictions, diminishes the rate of interest, and increases the rate of profits? The salutary influence of banking operations is demonstrated in countries and sections of country where they prevail, when contrasted with those in which they are not found.—In the former, all is bustle, activity and general prosperity. The country is beautified and adorned by the works of internal improvement; the cities

the filled earth, splendid edifices, and the wharves covered with the rich production of our own as of foreign climates. In the latter, all is simplicity, cleanliness, and sobriety. England, in modern times, illustrates the great advantages of banks, of credit, and of stimulated industry. Contrast her with Sparta, destitute 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 austerities affords another of the boasted benefits of metallic circulation.

The wool from South Carolina would do the same to harm not only 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 in possession of a paper currency than ours. And the paper money prices of the one country are neutralized by the paper money prices 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. If, as he asserts, prices were always inflated in this country, beyond their standard in England, the rate of exchange would be consistently against us. But, in fact, however, the constant state of exchange between the two countries, for a long series of years, shows 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 me; but that balance is adjusted and it is adjusted by balances in our favor to other branches of our foreign trade, which have finally concentrated in England, as this 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 industry. I habitually employ credit in all cases.

States where mining and agriculture prevail. The States of Alabama and Mississippi, Arkansas, and Louisiana, have almost sprung into existence, as it were, by magic, or at least, have been rapidly improved and extended under the influence of the credit system. Lands, slaves, utensils, beasts of burden, and other supplies, have been constantly bought, and still continue to be purchased, upon 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 combating, would not be correct, if it were true that we have inflated prices on this side of the Atlantic without a corresponding inflation of prices on the other side; because the planter generally selling at home, and buying at home, the proceeds of his sale, and the money he purchases, are all expended at home; he affects his purchase and consequently neutralizes each other. In what we use of the next revenue payment for the immense quantity of his stock and other produce of our industry, which we annually sell to the south, and sell over, but that power means 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 money 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 is at liberty to collect the taxes in whatever commodity, from the exigencies of the case, it 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 exported by the tax-gatherer from an impoverished people. Is the power of government to cease, and the people to be thrown back into a state of nature? The senator asks if taxes could be levied and collected in tobacco, in sugar, and other commodities, if they could, if they could, if they could be levied for such an inconvenient imposition. Such a case of necessity did exist in the history of Virginia, and other colonies, prior to the Revolution, and taxes were accordingly levied in tobacco, and other commodities, as well as in specie at that time, compose a part of the revenue of many of our States.

selected, it is sure of getting. Against 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, to the Barings 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 bill 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 before the deposit act of 1836, 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 the substitute, that it converts twenty-five State banks into a system of federal institutions; but the employment of State institutions by the federal authority no more makes them federal, than the employment of federal institutions by the State converts them into state institutions. This mutual aid, and this reciprocal employment of the several institutions of the general and particular Governments, is one of the results and beauties of our admirable though complex system of Government. The General Government has the use of the capital, court houses, prisons, as penitentiaries, in the several States. Do they, therefore cease to appertain to the States? It is to be borne in mind, that although the State banks may occasionally be used by the federal authority their legal responsibility to the several States remains unimpaired. They continue to be accountable to them, and their existence can only be terminated or prolonged by the State authority. And being governed, as they are, by corporate authority emanating from and amenable to State jurisdiction, and not under the control of the Executive of the United States, constitutes at once a greater security for the public money, and more safety to the public liberty. It has been argued that a separation of the Government from the banks will diminish the executive power. It must be admitted that the custody of the public money in various banks, subject to the control of State authority, furnishes some check upon the possible abuses of the Executive Government. But the argument maintains that the executive has least power when it has most complete possession of the public Treasury! The Senator from South Carolina contends that the separation in question being once effected, the relation of the Federal Government and the State Banks will be antagonistical. I believe so, Mr. President. That is the very thing I wish to prevent. I want them to live in peace, harmony, and friendship.— If they are antagonistical, how is it possible that the State banks can maintain their existence against the tremendous influence of this Government? Especially, if this Government should be backed by such a vast Treasury bank as I verily believe this bill is intended to create? And what becomes of the argument urged by the Senator from South Carolina, and the abolition resolutions offered by him at an early period of the session asserting that the General Government is bound to protect the domestic institutions of the several States?

The substitute is not, I think, what the welfare of the country requires. It may serve the purpose of a good half-way house. Its accommodations appear fair, and with the feelings of a wearied traveller, one may be tempted to stop awhile and refresh himself there. I shall vote for it as an amendment to the bill because I believe it the least of two evils, it should indeed inflict any evil; or rather, because I feel myself in the position of a patient to whom the physician presents in one hand a cup of arsenic, and in the other a cup of poison: I reject the first, because of the instant death with which it is charged; I take the latter, as being at the most harmless, and depend upon this *vis medicatrix nature*. It would have been a great improvement, in my opinion, if the mode of bringing about the resumption of specie payments, contained in the substitute were reversed; provided that the notes of a certain number of safe, sound, and unquestionable banks to be selected, should be forth-with received, by the General Government, in payment of all public dues; and that if the selected bank did not resume, by a future designated day, their notes should cease to be taken. Several immediate effects would follow: 1st. The Government would withdraw from the market as a competitor with the banks for specie, and they would be left undisturbed to strengthen themselves. And, 2dly, confidence would be restored by taking off the discredit and discountenance thrown upon all banks by the Government. And why should these notes not be so received? They are as good as Treasury notes if not better. They answer all the purposes of the State Governments and the people.—They now would buy as much as specie could have commanded at the period of suspension. They could be disbursed by the Government. And, finally, the measure would be temporary.

But the true and only efficacious and permanent remedy, I solemnly believe, is to be found in a Bank of the United States, properly organized and constituted. We are told that such a bank is fraught with undesirable danger; and that the Government must, in the sequel get possession of the bank, or the bank of the Government. I oppose to these imaginary terrors the practical experience of forty years, I oppose to them the issue of the memorable contest, commenced by the late President of the United States, against the late bank of the United States. The admiration of that bank had been without serious fault. It had given no just offence to the Government, toward which it had faithfully performed every financial duty. Under its able and enlightened president, it had fulfilled every anticipation which had been formed by those who created it; President Jackson pronounced the edict that must fall, and it did fall, against the wishes of an immense majority of the people of the United States, against the convictions of its utility entertained by a large majority of the States; and to the prejudice of the best interests of the whole country. If an innocent, unoffending, and highly beneficial institution could be so easily destroyed by the power of a man, where would be the difficulty of crushing it, if it had given any real cause for just animadversion? Finally, I op-

due to these imaginary terrors 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 conducing to the prosperity of that great country; and they have so existed, and so contributed, because each has avoided cherishing towards the other that wanten and unnecessary spirit of hostility which was unfortunately engendered in the bosom of the late President of the United States.

I am, admonish, sir, by my exhausted strength, and by I fear, your more exhausted patience, to harken to a close.—Mr. President, a great novel, and untried measure, is perseveringly urged upon the acceptance of Congress. That it is pregnant with tremendous consequences, for good or for 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.—Is it 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 is no disrespectful and burning 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 the 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.
VINCEY VES.
SATURDAY, March 21, 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. Cornoya, and F. Thompson, as candidates for Constable. The election will take place on Monday next.

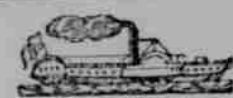
J. DONOVAN,
Receiving, Forwarding, & Commission
MERCHANT,

Vincennes, Ia.
REFERENCES.

urich & Heberl,	Vincennes, Ia.
Crunkshank & Co.	do
owner & Carnan,	do
Smith,	do
& O. Brown,	Clinton, Ia.
Lebb & Shoemaker,	Lafayette, Ia.
in Thurston & Co.	} Evansville, Ia.
C. Gwatney & Co.	
B. Tilly,	Louisville, Ky.
Efford & Sorgenfrey,	New Orleans, Lou.
Vincennes, March 20th 1898	—44-ff.

DRIED PEACHES.
 JUST received and for sale
 10 bbls. first quality Dried Peaches.
 THORN & TRACY.
 Vincennes March 23, 1838—43-

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. Hulbert 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. Hulbert for Lafayette
— Sandusky for Pittsburgh
— Monroe for "
27 Shylock for mouth of Wabash
— Troy for Pittsburgh,
28 Tide for ports above

The Wabash River is high--out of its ban-

*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 or 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; the Borough Trustees.

Sec. 3. Whenever any person shall be arrested under the authority of the Mayor of Vincennes after sunset or before sunrise, or in a state of intoxication, 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 intoxicated 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 ~~such person shall be~~ 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 parish of Iberville, 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 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, 1828.
TH. J. EVANS,
Speaker of the House of Representatives.
AMAZ. MORGAN,
President of the Senate, pro tem.
DAVID WALLACE.

Abstract

INDIANA, TO-WIT:
I, William J. Brown, Secretary of State
for the State aforesaid, do hereby certify
that the foregoing is a true copy of the
original act now on file in my office.

In testimony whereof, I have hereunto
set my hand and affixed the Seal of State
at Indianapolis, this 17th day of February,
1888. WM. J. BROWN.

o Margaret W. Scott, Samuel R. Alexander and Nancy Ann, his wife, and William S. T. Scott, heirs, and legal representatives of Samuel T. Scott, late of Knox county, deceased.—

YOU will please take notice, that I, the subscriber, one of said heirs and legal representatives, will apply to the Probate Court of Knox county, in the ensuing May term thereof, and on the first day of said term, for the appointment of commissioners to divide the real estate which were of the said decedent at the time of his death, among his several heirs and legal representatives; which said real estate consists of

150 acres, part of donation lot No. 2, in Knox county.

160 acres, being the N. E. qr. of Sec. 1, town 2 S. R. 19 west, in Gibson Co.

160 acres, being the S. E. qr. of Sec. 1, T. 5, S. R. 13 west, in Posey county.

And two lots in the Borough of Vincennes, known by the numbers 225 and 23.

A. D. SCOTT.
March 31st, 1838--44-ft.