

scives, the degrading duty of giving reasons to a corporation for measures they may deem essential to the interests of the people, the purity of the government, and the preservation of our invaluable institutions.

The removal of the deposits by the Secretary of the Treasury from the Bank of the U. States, so far from being an usurpation of a power belonging to Congress, actually restored to that body a power of which they had by the terms of the charter divested themselves. So far as regards Congress the contract is *absolute*, that the deposits shall be made in the Bank of the United States, and no shadow of authority is reserved to them otherwise to "order and direct." Congress divested itself of all power or control over the deposits unless the Secretary should first issue his order for the removal. The exclusive power to issue such order was reserved to the Secretary of the Treasury, and for his action, the deposits must have remained beyond the reach of Congress until the termination of the Bank charter. The moment they are out of the Bank, by the order and direction of the Secretary of the Treasury, as provided in the charter, all the original power which Congress possessed over them reverts to that body. They may by law direct their future disposition. If they think proper to relieve the Executive from all responsibility for the safe keeping of the public funds, they may, by an act of legislation designate the depositories in which they shall be kept. The power with which, in the opinion of the committee, Congress should never have parted, has been restored to that body by the act of the Secretary, and it is not perceived upon what ground he can be charged with the usurpation of their powers, by an act which has essentially enlarged them.

In the section of the Bank charter reserving to the Secretary of the Treasury the power over the deposits, it is not stated what reasons may be sufficient to justify him in directing the money of the United States to be deposited in other Banks. That they ought to be *good and honest* reasons there can be no doubt. Before the Bank of the United States existed, he was equally bound to have such reasons for discharging one Bank and employing another, as well as for his other official acts. If they be not *honest*, he may be impeached by Congress, or dismissed from office by the President. If they be not *good*, he may be overruled by a subsequent act of legislation, providing for their restoration, or designating some other place of deposit than that which he may have selected. But if they be both *honest and good*, the transaction should be at an end, when they are reported to Congress.

It has recently been maintained in argument that no reason but a want of safety can justify the removal of the deposits from the Bank of the United States; that the security of the public funds was the sole object which Congress had in view; that having confidence in the Bank, the act of charter directed the deposits to be made in it, but at any time they should become insecure, they reserved to the Secretary of the Treasury the power of removing them, with a view solely to render them more *secure*; and that, for the same reason, he was required to assign his reasons to Congress, whenever he did order the removal, that Congress might review his act.

It is to be observed that the words of the Bank charter recognizing the power of the Secretary to remove the deposits, do not define the reasons or circumstances which will authorize him to act; and the necessary inference is, that he may act for any reasons which to him may seem sufficient.

If want of safety was the only reason which could justify the removal of the deposits, why was the Secretary required to report his reasons at all? If there could be but one sufficient reason, Congress would have known it as well without being reported as with it; and if there could be but one reason, why was it not so declared in the charter?

There are good grounds to believe that want of security was not the only nor the chief reason in the minds of Congress, when they required of the Secretary to assign the reasons of the act to them. Suppose it to be discovered by the Secretary, that the Bank is in a tottering condition, and on the verge of stopping payment, what advantage would the government gain by a sudden withdrawal of its funds? Under the circumstances supposed, the first effect of such a measure would probably be to compel the Bank instantly to stop payment, and as a consequence, its notes would become fatally depreciated. But the Bank charter requires that its notes shall be received in all payments to the United States, unless Congress shall by law otherwise direct.—All the revenues would then be paid in their notes, however much they might be depreciated; for the Secretary would have no authority to refuse them until Congress repeated the provision which caused them to be received in payment to the United States. To remove the public funds, therefore, for want of safety would be to depreciate the currency in which the accruing revenue must be received. Instead of having a deposit of good money in a *doubtful* Bank, we should have one of *bad money in good Banks*. The Bank of the United States would be more likely to pay the warrants of the Treasurer, if the deposits were left in its possession, than it would to pay its notes, received in payment of revenue, if they were taken away.

Instead of removing the deposits in such a case, the public interest would require every practicable effort on the part of the Treasury to sustain the credit of the Bank, at least until Congress could repeal the provision which makes its notes a tender in all payments to the government. He would be a faithless Secretary who should depreciate the currency he is bound by law to receive in payment of public dues; and under pretence of putting the public funds already collected in a safe place, resort to a measure which would inevitably make the currency which he was bound to receive in payment of the accruing revenue, in a degree worthless.

But the contemporaneous and continued construction of the clause in the charter relative to the Secretary's reasons, even if the meaning of the words themselves was at all doubtful, is conclusive to show, not only that the Secretary possesses full power to order the removal but that it is his duty to do so for other reasons than the insecurity of the public funds.

On reference to the correspondence and documents connected with the Treasury department, we find that Mr. Crawford, who was Secretary of the Treasury at the time the Bank went into operation, in sundry letters, distinctly asserted his power under the charter to cause the depositories of public money to be made in State Banks, for various reasons; and that he did actually exercise that power during the first year of the Bank's existence, reporting his reasons to Congress at the next session; and that he did again exercise it in the year 1818—on both of which occasions it was not contested by the Bank, and not called in question by Congress. We find that in 1819 the power was expressly asserted by a Committee of Congress, and by eminent members, in debate, without controversy; and that at a subsequent period (1824) when Mr. Crawford's arrangements with State Banks were called in question and investigated, it was declared by a committee of the House of Representatives that there was nothing in them in violation of law, or contrary to the usage of the Department.

The successors of Mr. Crawford in the Treasury department, Mr. Rush and Mr. Ingham, have asserted the power; and it was admitted to exist for other purposes than the security of the public deposits, by the Committee of Ways and Means of this House, as late as 1830.

The grounds on which it has been asserted the power may be exercised, have been, to equalize the benefits resulting from the deposits among the banking community; to aid the State Banks in maintaining their credit; to induce them to resume specific payments; to prevent a pressure on their debtors, the refusal of the Bank of the United States to receive as cash the notes of the Banks which it was deemed the interest of government to receive from its debtors; the public convenience; the misconduct of the Bank; its interference in politics and the use of its pecuniary power to produce injustice and oppression. These several grounds of action, suggested sometimes by the Secretary of the Treasury, sometimes by committees of Congress or its members, as well in public documents as private correspondence, were never declared to be illegal or invalid, even by the Bank itself; nor does it appear ever to have been maintained or suggested that the want of security was the only good reason for the action of the Secretary, until since the removal by order and direction of the present incumbent. The committee consider the point too clear, under the words of the law and the practice of the government, to be now seriously called in question. Extracts of letters and reports are given in the appendix to this report, which fully establish the positions here asserted.

It has been objected to the act of the Secretary, that conceding to him the power to remove the deposits and to direct them to be placed in State Banks, that yet he had exceeded his authority in entering into contracts with the new depositories, prescribing the terms of deposit and the duties and services which they should be required to perform for the government, in consideration of the use of the public money.

The committee are of opinion that there is nothing in this objection. Money of the United States could not be placed in their keeping without a contract with them. If there was no written agreement, the law would imply one. It would imply a contract on the part of the depository Bank to pay; and if they refused to pay, the United States might sue and recover the money.

If the Secretary, by depositing the money in a State Bank, may make an implied contract, by which the Bank would be bound to pay, surely he may make an express one.—The objection, therefore, that he may not enter into a contract, although he has a right to deposit the money, is wholly untenable. If the State Banks are selected lawfully as agents, and their duties not defined by law, they must necessarily be defined by contract, and the United States have the same right to take care of their interest in this respect as an individual.

In making these contracts the present Secretary has followed the example of his predecessors, and has manifested an anxious care to protect the interests of the United States; and so far from being justly subject to censure, deserves rather to be commended for his vigilance, in guarding the public treasure as far as possible from danger of loss. But suppose all that has been urged by those who rely upon this objection to be true; suppose the contracts to be in fact void; still the public money is not less secure in the State Banks than it would have been if no contracts had been made. In any view, therefore, the committee are of opinion that the objection is utterly futile and deserving of no consideration. It has been the constant practice of the Treasury to make such contracts with the Banks selected as the public depositories, examples of which may be found in official letters of Mr. Gallatin and Mr. Crawford, hereto annexed.

The committee are of opinion, therefore, that the Secretary possessed the power to issue his order for the removal of the deposits, and they are further of opinion that none of the chartered rights of the stockholders have been injured by it.

The Bank in their memorial allege "that in consideration of a full equivalent, rendered by them in money and services, they were entitled to the custody of the public deposits." To this position the committee do not assent. It appears by the 20th section of the act of the charter, that the sum of a million and a half of dollars was paid by the Bank, "in consideration of the exclusive privileges and benefits conferred by this act upon said Bank." This was the only money paid by the Bank to the United States, and it was paid, not for the use of the public deposits, but for the exclusive privilege and benefit of banking conferred by the charter, and especially by the provision contained in the 21st section, viz:

"That no other bank shall be established by any future law of the United States during the continuance of the corporation hereby created, for which the faith of the United States is hereby pledged."

The only services which the Bank stipulates to perform for the government are, "to perform the several and respective duties of the Commissioner of Loans for the several States, or of any one or more of them, whenever required by law;" and to "give the necessary facilities for transferring the public funds from place to place within the United States, or the territories

thereof, and for distributing the same in payment of the public creditors, without charging commissions, or claiming allowance on account of difference of exchange."

[TO BE CONTINUED.]

INDIANA STATE BANK.

THE undersigned having been appointed by the President and Directors of the STATE BANK OF INDIANA, in pursuance of the charter of said institution, Commissioners to receive subscriptions for stock in said Bank for the *seventh District*, composed of the counties of Knox, Sullivan, Daviess, Pike and Dubois, the books will be open on every day, (Sunday excepted) between the hours of 9 o'clock, a. m. and 12 o'clock m. at Clark's Hotel, from the 7th day of April next, to the 10th day of May inclusive, where due attendance will be given by us.

We would invite the attention of the citizens of Indiana, and others, generally, to the advantages to be derived from the establishment of a State Bank, with the effect it will have on the prosperity of the country, and hope they will come forward and take up the stock without delay. Arrangements can be made by those at a distance, by sending a power of attorney to some person here to subscribe for them.

JOHN ROSS, *Commissioner*.
JOHN MOORE, *Commissioner*.
Vincennes, 27 March, 1834—10-7t

A LIST OF LETTERS

REMAINING in the Post-Office at Vincennes, Knox county, Indiana, the quarter ending the 31st March, 1834, which if not taken out in three months will be sent to the General Post-Office as dead letters.

Persons calling for letters in the following list will please say they are advertised, or they may be overlooked.

JOHN ROSS, *Commissioner*.
JOHN MOORE, *Commissioner*.
Vincennes, 27 March, 1834—10-7t

A LIST OF LETTERS

REMAINING in the Post-Office at Princeton, Gibson county, Indiana, the quarter ending the 31st March, 1834, which if not taken out in three months will be sent to the General Post-Office as dead letters.

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A LIST OF LETTERS

REMAINING in the Post-Office at Washington, Daviess county, Indiana, the quarter ending the 31st March, 1834, which if not taken out in three months will be sent to the General Post-Office as dead letters.

Felix Atkinson, Alex'r. Matheson
John Aikman, 2 Esm'r. P. Marshal
James Allen, Barton Mauzy
Richard Brand, James McCounagh
William Brattan, James McDonald
James Chamberlin, Isaac Nordike, junr.
Elijah Chapman, Andrew C. Palmer
John B. Colenan, George Pherigo
Edward Dant, Johnathan Purse
Rebecca Davis, Lemuel Robbins
Benjamin Duncan, Betsy Rutherford
James Dougherty, John Rodernel
William Fuller, 4 Fayette Springer
Jane Francis, Daniel Thompson
Jacob Grove, Charles Toler
Thaddeus Granger, Charity Taylor
Thomas Graham, John Vantrees, 2
Susan Hardwick, John Walker
John Johnson, Geo. T. Wise
James Kennedy, Geo. A. Waller
John Lyon, John Walker
John G. Miller, William Wallace
David McDonald, 2 JOHN MURPHY, p. x.
April 1, 1834—11-3t—53t

A LIST OF LETTERS

REMAINING in the Post-Office at Princeton, Gibson county, Indiana, the quarter ending the 31st March, 1834, which if not taken out in three months will be sent to the General Post-Office as dead letters.

John Ayres, Jopas Mayhall
Aaron Anderson, Anthony Miller
A Breedlove, James McNeely
Daniel Catling, Hugh I. McGuire
Margaret Devin, Tobias Miller
William B. Dobbins, George E. Oliphant
Charles H. Dunkin, Thomas Ray
Joseph Davidson, John H. Rackerley
Edward P. Flinn, Elijah Shepherdson
Hugh S. Harshaw, Jesse Smiley
Wm. Hummer, Isaac Strickland
Win. Hambleton, David Thomas
Abram Jones, Wm. Taylor
J. Johnson, J. M. Taylor
Thomas Jinkin, Nathan Thompson
James Lynn, Francis W. Urey
Edward Lynch, John Witsel
D. C. Lynch, Johnson I. Wallace
JOHN ARBUTHNOT, p. m.
April 1, 1834—11-3t—36t

STATE OF INDIANA, *Possey County*

REMAINING in the Post-Office at Princeton, Gibson county, Indiana, the quarter ending the 31st March, 1834, which if not taken out in three months will be sent to the General Post-Office as dead letters.

Avery Allen, administrator of the estate of Lee Allen, deceased.

The creditors of the said Lee Allen.

A VERY ALLEN having filed his petition sitting forth the insufficiency of the personal estate of the said deceased to pay his debts, and praying an order of this court for the sale of the real estate, to-wit, a part of the south west qr. of section 11, T. 4, Range 12 W. in the district of lands offered for sale at Vincennes, Indiana, containing by estimation thirty acres, and it being the same land which the said deceased in his lifetime bought of Abraham Benson: And it appearing to the satisfaction of the court, that Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana; It is therefore Ordered, that notice of the pendency of said petition be given by causing a copy of this order to be inserted three weeks successively in the Western Sun and General Advertiser, a weekly newspaper published in Vincennes, Knox county, Indiana, before the second Monday of May next, that the said Lee Allen, Gilbert Allen, Dickson Allen, Benjamin Allen, William Jemison, Nancy Jemison, John Jemison and Seely Jemison, Robert Allen, John Kitchens and Precilla Kitchens, heirs of the said Lee Allen, deceased, are not residents of the State of Indiana;