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(Continued from fourth page.)

I hope I have shown, replied Mr. R. that from the nature and terms of the authority reserved to the Secretary of the Treasury, the whole conduct of the Bank, in the discharge of all its duties, is properly open to consideration; and I shall now proceed to inquire into its conduct in several instances, which appear to me to furnish ample justification for withholding from it the deposits of the public money. In confining myself to these instances, I do not wish to be understood as thinking there is nothing else in the conduct of the Bank worthy of blame or justly incurring the animadversion of the Government. On the contrary, I think there is much more; but I confine myself to those instances, because I believe that they alone are abundantly sufficient to justify the withdrawing of the deposits; and because I am unwilling to occupy the time of the Senate unnecessarily with details of this sort.

The conduct and duties of the Bank, Mr. President, may be viewed in two great relations—let to the Government, 2d, to the community at large.

In the first of these relations, its duties are two fold—as fiscal agent of the Government, to receive and distribute the public moneys, and to have them ready for the public service, whenever and wherever they may be called for by the Government—and as a corporation deriving its existence from the law, to observe and conform to all the conditions and securities imposed by the act of its creation. Now, sir, let us first inquire how it has performed the first named of these duties. Has it been always ready and prompt to render up the public moneys committed to its keeping, when they have been required to meet the public engagements? This consideration I hold to be of the highest importance. It is not sufficient that the public moneys should be ultimately safe in the hands of the Bank, or in other words, that the Bank be ultimately solvent. But it is necessary that it should be ready to meet promptly and faithfully every call made upon it by the Government for the public funds, when required for the public service. This is daily exemplified in the affairs of private life. When an individual has accumulated a sum of money which he wishes to put out at interest, to wait an expected call, or an opportunity of profitable investment, it is a leading consideration with him to put his money in the hands of some one who will not merely be able to pay in the long run, but who will pay promptly and certainly, whenever called upon.

Has the bank of the United States, sir, displayed these fundamental qualities of promptitude and fidelity in rendering up the public funds, for the public use, when called for by the Government? I confidently appeal to the history of the postponements of 3 per cents redemption, to sustain me in the assertion that it has not. It is in the recollection of the Senate that early in the Spring of 1832, it had been determined to pay off six and a half millions of the 3 per cent stock on the ensuing 1st day of July, and that a correspondence took place, in the month of March, between the Treasury Department and bank, with a view to that operation. It soon became evident that the bank was not in a situation to meet the operation—so largely had it used the public funds in an unprecedented extension of its discounts, (as will be seen hereafter), to promote its own interests and views. In this state of things, various pretexts and suggestions were urged by the Bank to induce the Government to postpone the contemplated payment; and a postponement to the month of October was finally yielded, the Bank undertaking to pay the interest on the debt in the mean time, and holding out expectations, which it did not fulfil, of accommodations to the importing merchants to enable them the better to pay the accruing revenue of the Government. The Bank has resorted to a great deal of special pleading to show that, notwithstanding the arguments it so zealously urged on the Government, it neither "sought for" nor "requested" the postponement. But what said the committee of investigation of 1832, before whom the matter was thoroughly discussed and examined? "The committee are fully of opinion that though the Bank neither 'sought for' nor 'requested' the postponement," (returning thus the language of the President of the Bank,) "yet if such postponement had not been made, the Bank would not, on the 1st of July have possessed the ability to have met the demand, without causing a scene of great distress in the commercial community."

Now, Mr. President, while the Bank was thus unable to meet the demand of the United States for their own money, what was the state of the account between it and the public Treasury? Why, sir, on the 1st of April, 1832, when the notice was proposed to be issued of the contemplated payment, there was in the Bank to the credit of the Treasury, for public moneys on deposit, the sum of \$9,513,000, and on the first of July when the payment was to have been made, the sum of \$9,811,000, more than three millions of the public money over and above the sum proposed to have been called for!

But, sir, this was not all. When the month of July arrived, the Government determined, and issued a note of its intention to pay, on the first of October following, two-thirds of the whole amount of the 3 per cent stocks, and the remaining third on the 1st of January, thereafter. The Bank feeling that it could not, with any plausibility, appeal to the further indulgence of the Government, but being still unprepared to meet its call for the public funds, instituted a secret negotiation, and actually consummated an arrangement with the foreign holders of the stock, not to come forward with their certificates at the periods designated, to leave the amount due to them still in the Bank, on an agreement that the Bank should pay them the interest, but the Government continuing bound, in consequence of the detention of the certificates, for the principal of the debt. Here the conduct of the Bank, from a negative, became a positive delinquency. It was no longer a mere want of readiness and ability to pay up the public funds, when required for the public service, but an active and unwarrantable interposition, contrary to every principle of its duty as fiscal agent of the Government, to thwart it in a great object of public policy—the early and final extinguishment of the public debt.

When the existence and result of this secret negotiation became accidentally known, the Bank endeavored to undo what had been agreed to be done, and to procure the surrender of the certificates, which it had previously made an arrangement to have held up. But this in no manner lessens the impropriety and unwarrantable character of the original act, and leaves the bank justly exposed to the full force of the imputations of faithlessness and illegality, which its conduct in this transaction has incurred. It avails as little to refer to the declaration of the Committee of Ways and Means of the House of Representatives, at the close of the last session of Congress, that as "the matter is now substantially closed by the surrender of nearly the whole of the certificates, it no longer presents a practical object of inquiry, or to call for or admit any action of Congress upon it." The same committee explicitly pronounced, the condemnation of the transaction, in declaring as it did, "that the bank had

exceeded its legitimate authority, and had no warrant for it in the correspondence of the Secretary of the Treasury." In the state of the question now presented to us, this transaction being referred to by the Secretary of the Treasury as one of his reasons for ordering the removal of the public deposits, it necessarily becomes "a practical object of inquiry," demanding the serious consideration, if not "the action of Congress," and none, in my estimation, could more signally illustrate the delinquency of the Bank in its relations of fiscal agent to the government. While these secret negotiations were going on to withhold the public funds from their legitimate destination—the payment of the public debt—it appears that there was in the Bank on the 1st day of October, 1832, after deducting the whole amount of debt designated for payment on that day, a clear surplus of the public revenue of \$3,222,792.

Upon a calm review of these transactions, Mr. President, I think it must be admitted by all that the Bank, by an improper use of the public money for its own advantage, had disabled itself to meet, with promptitude and punctuality, the calls of the government for the public funds committed to its keeping, that it had not only failed to have those funds forthcoming, when required for the public service, but that by a secret and unwarrantable intervention between the government and the public creditor, it had sought to prevent the application of those funds to the extinguishment of the public debt, and that in both respects, it had violated its clearest duties as fiscal agent of the government.

Let us now see if it has not equally violated the other duty indicated as appertaining to its relations to the government—that of fulfilling the conditions and guarantees provided and imposed by the charter itself, for its correct administration. The charter provides that, for the management of the affairs of the Bank, there shall be twenty-five Directors, of whom five are to be chosen by the President of the United States, with the advice and consent of the Senate; and it is further provided as a fundamental article of the Constitution of the Bank, that "not less than seven directors shall constitute a Board for the transaction of business." The design of these provisions, undoubtedly, was to secure, in all the operations of the Bank, an adequate and responsible representation of the interests both of the government and of the stockholders, and such a knowledge on the part of the government, through the Directors chosen by it, of the proceedings of the Bank, as would serve as a check to malpractices and abuses, and as a security for the public interests, of every kind, connected with the institution. But the actual management of the Bank has been so conducted as to evade and frustrate all these essential guarantees provided by the charter for a correct administration. Instead of the affairs of the Bank being transacted by a Board of at least seven Directors, at which every Director might, and when occasion required, would be present, the most important business of the institution is transacted by small committees chosen by the President, and conducting their proceedings in secret; and from these committees, thus engrossing the active administration of the Bank, the Directors chosen by the government have been systematically excluded. It is the remark, sir, of a most able and distinguished man, of one whose knowledge both of banking and finance, is unsurpassed in this, as in any other country, (Mr. Gallatin,) that "the mystery with which it was formerly 'thought necessary to conceal the operations of Banks, has been one of the most prolific sources of erroneous opinions on that subject, and of mismanagement on their part." This dangerous and exploded mystery, the bank of the United States has sought to revive, and in doing so, has furnished just cause for the jealousy of the government and the nation.

The President of the Bank, according to the by-laws of the corporation, being, ex officio, a member of these committees, as well as having the sole appointment of them, he directs and controls their proceedings at will; and his responsibility is reduced to less than a name, not only by the mystery which envelops those proceedings, but by the fact that through the number of proxy votes which he gives, (in violation of the spirit of the charter at least, which restricts the highest number of votes of any individual stockholder to thirty,) he chooses also what directors he pleases. In the actual administration of the Bank, then, every guarantee provided by the charter is set at naught. The representation allowed to the government in the affairs of the Bank, is virtually nullified—instead of the open management of its concerns by a responsible board of Directors, the most important business of the Bank is transacted in the conclave of small committees controlled by the President alone; and in him, in fact, has been realized that concentration of all power in the hands of one man, (so far as the affairs of this great corporation are concerned,) the apprehension of which, in regard to the constituted authorities of the nation, has elicited so much patriotic eloquence in the progress of this debate. In whatever aspect, then, I look at the conduct of the Bank in its relations with the government, whether as fiscal agent bound to administer the public funds for the public convenience, or a subordinate corporation created by the government, and bound to conform to the fundamental regulations imposed by the law of its creation, I think it has equally failed in its duties, and forfeited its title to the confidence of the government.

I will now, Mr. President, briefly enquire what has been the conduct of the Bank in its relations to the community at large. In this relation its proper functions and duties are to give safe and prudent aids to sound industry and enterprise, to abstain from encouraging a spirit of wild speculation and overtrading, and, above all, to abstain from all interference with the politics of the country. This last duty was on a former occasion recognized by the President of the bank himself, "as fundamental in the constitution of the bank." The inquiry in what manner the bank has discharged these duties, imposed by its relations to the community, necessarily brings under review the unprecedented extension of its accommodations to individuals from \$42,402,304, to \$70,428,070, in the short space of sixteen months, between 31st Dec. 1830 and 1st May, 1832. This extraordinary increase of bank facilities must inevitably have produced, and did produce, a most pernicious spirit of overtrading in the country. It was effected, too, as we have seen by an unwarrantable use of the public funds in the keeping of the bank, to such an extent as utterly to disable it to meet the calls of the Government for those funds, when they were required for the public engagements. But, in addition to these just and strong objections, it is alleged both by the Secretary of the Treasury in his report to Congress, and by the President in the paper read to his Cabinet, that there is every reason to believe that this extraordinary expansion of the business of the bank was made with an express view to a political object—to bring more and more of the community under its power, to be exerted at the critical moment of an election, in which it felt a deep interest.

I must say, Mr. President, that this allegation is sustained by evidence of the strongest probability, while the attempts of the bank to explain so extraordinary an expansion, on other principles, have been entirely unsatisfactory. It is true, that in this interval, the bank received from the Government reimbursement of a loan of about eight millions; to reinvest this sum in the permanent form of accommodation which, it is understood, much the greater part of

this extraordinary extension of its business assumed, it surely did not require an increase of private loans to the amount of twenty-eight millions to invest eight millions. It is also alleged by the bank that, during this interval, it had called in its funds from Europe to an additional amount of about four millions; but it has failed to tell us, sir, why it had thus called in its foreign funds. The question would naturally occur. Was it to aid in the great political operation at home attributed to it, involving, as was supposed, the critical issue of the renewal of its charter, or was it for other purposes?

We have been further told by the bank that the years 1831 and 1832 were years of extraordinary foreign importations, and that unusual facilities of bank accommodation were required to diffuse these imports through the country. But the bank ought to have recollected that these very importations had been unduly stimulated by the improper and unprecedented extension of its discounts; and that the distinguished authority, (Mr. Rush,) whose testimonial it had vauntingly cited in reference to another question, had, in the very report, from which that testimonial is extracted, declared that one of the most important duties and functions of the Bank is, "by confining its issues within prudent limits, to restrain excessive importations, and to keep them within the true wants and capacities of the country." But, sir, another most extraordinary explanation has been attempted by the Bank. It says that while this expansion of its discounts was going on, and until July, 1832, when the President put his veto on the bill for re-chartering it, "it was unknown whether it (the Bank) would have the least reason to be opposed to his election." Why, sir, one could not but be amused at this dramatic exhibition of political simplicity, on the part of this veteran tactician in the field of politics, if it were not for the reckless self-contradictions which accompanies it. When, sir, in the very book in which it makes this declaration, it characterises the first message of the President in December, 1829, as an assault upon the bank—when it had adopted, in November 1830, and in March 1831, resolutions for the distribution of tracts and pamphlets to "counteract" as it says, "the schemes for the destruction of the bank" originating in that message—when in the same book it expressly justifies those resolutions of 1830 and 1831, on the ground of self-defence against the hostile attempts of "politicians," [meaning the President and his friends] "to destroy the institution"—that it should after these things gravely tell us it did not know, all this time, that it "would have the least reason to be opposed to the election" of the present Chief Magistrate, is certainly an extraordinary experiment upon our simplicity, if it be not an amusing display of its own.

Considering, then, Mr. President, that the attempts of the Bank to explain this unprecedented increase of its discounts at the period referred to, have failed to justify it by proper and sufficient reasons—that it stands condemned, on the contrary, by sound maxims of banking, and of a safe, correct and prudent management—but that on the other hand, there were obvious political motives for it, notwithstanding the professed ignorance of such by the Bank—that it was coincident in point of time, with the application for a renewal of its charter, and also with the pendency of a contested election, in the issue of which its own fate was supposed to be involved, and that the part of the Union which was the principal scene of the Bank operation, was at the same time the debatable ground of the political contest. When all these circumstances are considered, it does seem to me to be difficult to resist the impression that this extraordinary operation of the Bank, was directed to a political object; an impression strongly confirmed by the unequivocal manifestation of a political spirit by the Bank in other of its proceedings. I allude, of course, to the active devotion of the funds of the Bank, under resolutions giving the president an unlimited control over them for that purpose, to the "preparation and circulation" of pamphlets and other writings; which, whatever may be the disguise in which they are sent forth, have been, many of them, party publications of the most acrimonious character.

These proceedings have been attempted to be justified on the ground of self-defence. But there is a radical fallacy in the appropriation of this plea by the Bank. The Bank has no right to consider itself a party to the question of the renewal of its charter. It is a great question of national policy, to be decided by high considerations of the public good, in which the interest of the Bank, as such, cannot legitimately enter, in the slightest degree. Like every other public question, its discussion and its decision should be freely left to the constitutional organs of the public will, and to the ordinary and copious channels of public information; that public interest, which should alone govern its decision, being an ample guarantee that every argument and consideration in favor of the Bank, which either justice or policy could suggest, would be fully presented to the public mind. On that ground the Bank especially, had every reason to be content to stand. A majority of both Houses of Congress had declared themselves in favor of a renewal of its charter—the larger portion of the press was also favorable to the same object. There was no danger then, that its side of the question would not be fully presented to the nation through the usual and legitimate modes of enlightening public opinion, without its coming forward, with its vast preponderance of moneyed power, to operate in the cause.

But even those who have attempted a justification of these proceedings of the Bank, "have admitted that the publications prepared and circulated" under its patronage, should be limited to a defence of its conduct. What, however, has been the character of many of those publications? The honorable Senator from Missouri, [Mr. Benton] gave us a few days ago, some idea of the tone and spirit of one of them, "the address to members of the State Legislatures," of which some hundred thousands of copies, it seems had been circulated by the Bank, a portion of which, under its all-pervading agency, had found their way into the retired valleys and mountain hollows of his own State. The drift and object of these, were plainly, to operate on pending elections, by every species of appeal which might be made available for the purpose. We have been presented, sir, in another quarter, [Mr. Polk, in H. of R.] with specimens of another of these publications, disseminated, in like manner, far and wide by the potent influence of the money of the Bank; judging of which, by the specimens given, we must all acknowledge them to be in the bitterest and most inflammatory style of party denunciation and invective; seeking much more to rouse and enlist the passions and prejudices of the people in the party contests of the day, than to enlighten and convince their judgments as "to the nature and operations of the Bank."

But sir, I will not pursue these details. The fact which they serve to illustrate, is manifest and known to all. The Bank has openly entered the political arena as a partisan—a great moneyed corporation, contrary to the ends of the institution, and in violation of its clearest duties, vests in the hands of its officer, an unlimited and irresponsible control over its vast funds, to enlist the co-operation of the press, through it and by other means, to influence the elections, and thus, if possible to mould the action of the government to its interested and ambitious purposes. If an example of such "fearful omen" to the morals and liberties of the country could have passed without the stern and indignant rebuke it has met from the

Government and the people, it would have marked indeed, a fatal degeneracy.

From this general review of the conduct of the Bank, in its various relations to the public, I hope I have shown, Mr. President, that it, at least, has no just cause to complain of the animadversion with which it has been visited in the removal of the deposits. I trust also, sir, that I have shown in the act of the Secretary of the Treasury, ordering that removal, there was no want of legal authority. Here, then, believing as I do, that our highest duties to the Constitution and to the public liberties forbid our doing any thing, not required by law and justice, which would tend to strengthen this dangerous and unconstitutional institution, (and such, I think, would be the inevitable tendency of a restoration of the deposits,) I might have been content to terminate my view of the subject. But grave questions of constitutional law have been made in regard to the rights and powers of the chief Executive officer on this occasion, which ought not to be shunned. Questions of this sort, whenever they arise, should be firmly met, and fully and fairly canvassed, as nothing can be of deeper interest to the people and to the States of this confederacy, than the ascertainment of the true principles of that Constitution which they have "ordained and established."

On this branch of the subject, there is a discrepancy of opinion among those, who have, nevertheless, united in censuring the conduct of the administration. I understand the Senator from S. C. (Mr. Calhoun), distinctly to admit the constitutional power of the President to superintend and control, if necessary, the action of the Treasury Department, in reference to this question; while the honorable Senator from Kentucky [Mr. Clay] utterly denies this power, and considers the conduct of the President as a palpable usurpation. [Here Mr. Calhoun rose and said that though he did not consider the conduct of the President an usurpation, he considered it a gross abuse of power.] Sir, (said Mr. R.) the only question presented by the resolution under consideration, is a question of the existence, not of the abuse, of power. These resolutions directly affirm, that the President "has assumed the exercise of a power not granted by the constitution and laws." Whether the conduct of the President was, under the circumstances of the case, an abuse, depends upon what had been the conduct of the institution, whose supervision was intrusted to a department declared by the Senator from South Carolina to be under the superintendence and control of the President; and if the views which I have already presented of the conduct of that institution, have any foundation, all will agree that if the President possessed the power, the occasion had occurred when it ought to be exercised.

I will now, Mr. President, examine the several positions which have been taken by the Senator from Kentucky [Mr. Clay] in relation to the question of constitutional power. The honorable Senator first affirms that what has been done with regard to the removal of the public deposits from the Bank of the United States, the Executive has usurped the power over the Treasury and public purse which the constitution has exclusively vested in the Legislative Department. In enforcing this position, sir, he has presented us, with his characteristic eloquence, the alarming consequences of an union of the power of the sword and of the purse in the same hands. As no topic is better calculated to arouse the jealousies of a free people than this, it becomes us to analyze and examine it, and to see how far it has any just application to the subject under consideration. Sir, it is a great maxim of constitutional liberty in that country from which we have derived so many of our institutions, that the powers of the sword and the purse should be kept separate and distinct, and as the maxim comes to us from thence, we cannot better ascertain its scope and meaning, than by seeing how it is understood and practised there. In England, the power of the sword is in the hands of the King. He can declare war, make peace, raise armies, equip fleets. But the supplies for the prosecution of the war, for the support of the army and navy, can be obtained only by a vote of Parliament; and thus the power of the purse is lodged in the hands of the representatives of the people. This is considered the great security of English liberty—that the King, who holds the power of the sword, has no power of the public purse. But what is this power over the purse, which is thus jealously and wisely withheld from the Executive Magistrate? Why, sir, evidently the power of drawing money from the pockets of the people, and of designating the objects to which it shall be applied.

The power of the purse, then, of which we have heard so much in the course of this discussion, and so much, I must be permitted to say, that is vague and indeterminate, is, in the true constitutional sense the power of taxation and appropriation—the power of raising money by taxes, of determining in what manner and to what amount they shall be raised, and to what objects they shall be applied. This great power here, as in England, is exclusively vested, as it ought to be, in the immediate representatives of the people. The Constitution expressly declares that "Congress shall have power to lay and collect taxes, duties imposts, &c. and that "no money shall be drawn from the Treasury but in consequence of appropriations made by law." These are the provisions of Constitution which confer and define the power of the purse. But while the general powers to raise and appropriate money for the public service were vested in Congress, it certainly never could have been intended that Congress itself was to collect, to receive, to keep, to disburse the public money. These are, subordinate ministerial functions which must, of necessity, be performed by executive agents, under the general provision of the law. In England, sir, where, as we have seen, the power of the purse is fully and effectually vested in Parliament, it is nevertheless, the Exchequer and the Treasury, Executive departments, which manage the collection and expenditure of the public revenue under authority of law. So with us, sir, the ministerial functions of collecting, receiving, keeping, disbursing the public money, have invariably devolved on the Executive officers of the government.

It is true, sir, that Congress in the exercise of its legislative powers, may and ought to, (as far as is consistent with the public interests, which might in certain cases require a discretionary power to be lodged with the Executive,) prescribe a place of deposit for the public moneys, when collected; but if no such prescription be made by the legislative authority, it devolves necessarily on the Executive Department, charged with the collection and safe keeping of the public moneys, to determine where they shall be deposited and kept. Such was the case, in the most unlimited sense, previous to the passage of an act in 1800, which required that, at certain places, the bonds taken for the payment of duties, should be deposited in the Bank of the United States, or its branches for collection. Before that time, the Treasury Department caused the public moneys to be deposited wherever it thought proper—in some instances in the hands of public officers; in others in the State Banks, and in others, in the bank of the United States and its branches. This it did at its perfect discretion, without its ever being imagined that, in doing so, it encroached on that power of the purse, which the constitution had lodged in other hands.

When the present bank of the United States was established, its charter contained a provision that the deposits of the public money should be made in it or

its branches, unless the Secretary of the Treasury should, at any time, otherwise order and direct. If the Secretary of the Treasury, in the exercise of the discretion thus reserved to him by law should order the public moneys to be deposited elsewhere, he certainly usurps no legislative power over the public purse. He merely executes a subsidiary trust in regard to the place of keeping the public moneys, which has been expressly confided to him by the legislative department itself.

But, sir, it has been argued that by the act incorporating the bank of the United States, with the provision above mentioned, the bank was, in effect, constituted the Treasury of the United States, and that in removing the public deposits from the bank, money had been drawn from the Treasury, in violation of the constitutional declaration on that subject. If the act incorporating the bank, could, by possibility, have had the effect attributed to it, of converting the bank, by some strange metamorphosis, into the Nat'l Treasury, still it became the Treasury *sub modo* only—that is, only so long as the Secretary of the Treasury might not order the public money to be deposited elsewhere. When the Secretary of the Treasury should order the public money to be deposited elsewhere, then in virtue of the provision referred to, the bank ceased to be the Treasury. But there is a total want of logical precision in this notion of the Treasury. The error is in annexing the idea of fixed locality to it; whereas, in the true constitutional and financial sense, it is not a place, but a state or condition. It is the condition of moneys belonging to the Government, and being in the custody or legal possession of the officers charged with their safe keeping. Wherever moneys are placed to their credit and subject to the control of the public Treasurer, there they are, both in legal and common intendment, in the public Treasury.

In a report of the Secretary of the Treasury, made on the 9th day of January, 1811, I find the term used in such a way as to show conclusively the sense in which it is habitually employed in the finances of the government. A resolution had been adopted by the House of Representatives on the 19th Dec. 1810, requiring the Secretary of the Treasury among other things, to report "what will be the probable amount of the deposits in favor of the United States in any of the said Banks," [U. S. and State] or their branches, and which of them, on the 1st of March, 1811." The Secretary of the Treasury, in answer to this call reported—"It is probable the amount of specie in the Treasury, will on the first day of March next, exceed \$2,500,000, and that the proportion deposited in the Banks, other than that of the United States and its branches, will not materially vary from what it is at present." Here we see, Mr. President, that the Secretary of the Treasury speaks of the whole of this sum, though distributed in various Banks, both of the United States and the States, as being in the Treasury, because, whether in one or the other, it was equally in the legal custody and under the control of the Treasurer.

A similar illustration is furnished by the very law establishing the Treasury Department. The 4th section of that act declares that all "receipts for moneys received by him" (the Treasurer) "shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrant no acknowledgment for money received into the public Treasury shall be valid." Here, it will be perceived, that the receipt given by the Treasurer [endorsed upon warrants signed by the Secretary of the Treasury] is treated as synonymous with receipt into the public Treasury. When the Treasurer thus executes his receipt, the money, wherever it may be, stands to his credit, and is subject to his control, and is consequently in the public Treasury. It continues in the Treasury so long as it stands in his name, though, in the mean time it may be repeatedly shifted from place to place; and it goes out of the Treasury only when it passes from him to some creditor of the Government, to whom it is paid under a warrant of disbursement. Another illustration of the same kind is furnished by that clause of the act which makes it the duty of the Treasurer on the third day of every session of Congress "to lay before them a true and perfect account of the state of the Treasury;" by which certainly it is not meant that he should lay before Congress an account of the state of any Bank or other place where the public money may be deposited, but "the amount of the public moneys wheresoever deposited."

I fear, Mr. President, that I may have been a little minute in these explanations; but sir, the charge of violating the public Treasury, and of eluding the public money, is a very grave one, and might well justify the tediousness of a little detail in developing a misconception, and confusion of ideas, on which alone the charge rests. If these explanations have not been entirely fruitless, I may now confidently appeal to gentlemen to say, where is there any thing to give even a color of plausibility to the charge that the public moneys, in being removed from the Bank of the United States to other places of deposits, have been taken out of the public Treasury? Are they not still, (and equally as before their removal,) in that legal and responsible custody of the Treasurer, which constitute in fact, the public Treasury? Do they not stand in his name and to his credit in the State Banks, as they did in the United States Bank? Are they any more accessible to misapplication, or unauthorized uses now, than they were then? Are they exempted, where they are, from any of the safeguards and barriers which the law and the constitution have thrown around the public moneys? Can you reach them in the State Banks, any more than you can in the U. S. Bank, without these precautionary forms which have been established for the protection of the public Treasury? Can a single shilling be disbursed now, any more than heretofore, without warrant drawn by the Secretary of the Treasury, countersigned by the comptroller, and recorded by the Register? And yet, sir, from the sweeping and vehement denunciations we have heard, one would suppose that the whole public treasury was now at the unlimited disposition of the President, to be expended by him in any way and for any purpose he might choose, free from all restraint of law or form of law.

To what a degree, sir, must the sagacious mind of the honorable Senator from Kentucky (Mr. Clay) have been inflamed by a gratuitous, however patriotic, indignation against the President, to have invoked, as applicable to this occasion, the solemn warning of Patrick Henry, in the Virginia Convention, against the union of the purse and the sword, which that gifted orator and patriot pronounced to be destructive to freedom. Glowing, sir, as was the imagination, and fervid as the oratory of that great man, he never could have seen in the simple ministerial operation of transferring the public moneys from one place of deposit to another, in pursuance of authority given by law, that formidable assumption of the power of the purse which united with that of the sword, he denounced as fatal to liberty. If the honorable Senator had read a few brief sentences immediately preceding the passage he quoted, he would have seen in what sense Mr. Henry spoke of the power of the purse and the sword. He would have seen that Mr. Henry, uncompromising adversary as he was of the new constitution, was arguing against the powers proposed to be vested in Congress, of taxation, of raising armies, and of control over the militia. What said the orator, sir? "Congress, by the power of taxation, by that of raising an army, and by their control over the militia have the sword in one hand,