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EDITOR AND PROPRIETOR.

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**SPEECH OF MR. CLAY,**  
ON THE  
Sub-Treasury Bill:  
Delivered in the Senate, February 19, 1838.  
[Continued.]

A most remarkable feature in the bill is that to which I have already called the attention of the Senate, and of which no satisfactory explanation has been given. It is that which proceeds upon the idea that the Treasury is a thing distinct from the Treasury of the United States, and gives to the Treasury a local habitation and a name, in the new building which is being erected for the Treasury Department in the city of Washington. In the Treasury, so constituted, is to be placed that portion of the public revenue, which is gleaned from the District of Columbia. All else, that is to say, nine hundred and ninety-nine hundredths of the public revenue of the United States, is to be placed in the hands of the receivers general, and the other depositaries beyond the District of Columbia. Now, the Constitution of the United States provides that no money shall be drawn from the public Treasury but in virtue of a previous appropriation by law. That trifling portion of it, therefore, which is under the District of Columbia, will be under the safeguard of the Constitution, and all else will be at the arbitrary disposal of the Secretary of the Treasury.

It was deemed necessary, no doubt, to vest in the Secretary of the Treasury this vast and alarming discretionary power. A new and immense Government bank is about to be erected. How it would work in all its parts could not be anticipated with certainty; and it was thought proper, therefore, to bestow a discretion commensurate with its novelty and complexity, and adapted to any exigencies which might arise. The fifth section of the bill is that in which the power to create a bank is more particularly conferred. It is short, and I will read it to the Senate:

"Sec. 10. And be it further enacted, That it shall be lawful for the Secretary of the Treasury to transfer the moneys in the hands of any depositary hereby constituted, to the Treasury of the United States, to the Mint at Philadelphia, to the Branch Mint at New Orleans, or to the offices of either of the receivers general of public moneys, by this act directed to be appointed, to be there safely kept, according to the provisions of this act, and also to transfer moneys in the hands of any one depositary constituted by this act to any other depositary constituted by the same, at his discretion, and as the safety of the public moneys, and the convenience of the public service, shall seem to him to require."

And for the purpose of payments on the public account, it shall be lawful for the said Secretary to draw upon any of the said depositaries, as he may think most conducive to the public interests, or to the convenience of the public creditors, or both.

It will be seen that it grants a power, perfectly undefined, to the Secretary of the Treasury, to shift and transfer the public money, from depositary to depositary, as he pleases. He is expressly authorized to transfer moneys in the hands of any one depositary constituted by it, at his discretion, and as the safety of the public moneys, and the convenience of the public service, shall seem to him to require. There is no specification of any contingency or contingencies on which he is to act. All is left to his discretion. He is to judge when the public service (and more indefinite terms could not have been employed) shall seem to him to require it. It has been said that this is nothing more than the ordinary power of transfer, exercised by the Treasury Department from the original of the Government. I deny it, utterly deny it. It is a totally different power from that which was exercised by the cautious Gallatin, and other Secretaries of the Treasury—a power, by the bye, which on more than one occasion, has been controverted, and which is infinitely more questionable than the power to establish a Bank of the United States. The transfer was made by them rarely, in large sums, and were left to the banks to remit. When payments were made, they were effected in the notes of banks with which the public money was deposited, or to which it was transferred. The rates of exchange were regulated by the state of the market, and under the responsibility of the banks. But here is a power given to transfer the public moneys without limit, as to sum, place, or time, leaving every thing to the discretion of the Secretary of the Treasury, the receivers general, and other depositaries. What a scope is allowed in the fixation of the rates of exchange, whether of premium or discount, to regulate the whole domestic exchanges of the country, to exercise these former trans-

fers were not made for disbursement, but as preparatory to disbursement; and when disbursed, it was generally in bank notes. The transfers of this bill are immediate payments, and payments made not in bank notes, but specie.

The last paragraph in the section provides that, for the purpose of payments on the public account, it shall be lawful for the Secretary to draw upon any of the said depositaries, as he may think most conducive to the public interest, or to the convenience of the public creditors, or both. It will be seen that no limit whatever is imposed upon the amount or form of draft, or as to the depositary upon which it is drawn. He is made the exclusive judge of what is "most conducive to the public interest."

Now, let us pause a moment, and trace the operation of the powers thus vested. The Government has a revenue of from twenty to thirty millions. The Secretary may draw it to any one or more points, as he pleases. More than a moiety of the revenue arising from customs is receivable at the port of New York, to which point the Secretary may draw all portions of it, if he think it conducive to the public interest. A man has to receive, under an appropriation law, \$10,000, and applies to Mr. Secretary for payment. Where will you receive it? he is asked. On New York. How? In drafts from \$5 to \$5000. Mr. Secretary will give him these drafts accordingly, upon bank note paper, impressed like and stimulating bank notes, having all suitable emblazons, signed by my friend the Treasurer, (whose excellent practical sense, and solid and sound judgment, if he had been at the head of the Treasury, instead of Mr. Levi Woodbury, when the suspension of specie payments took place, would have relieved, or mitigated the pecuniary embarrassment of the Government and the People,) countersigned by the comptroller, and filled up in the usual way of bank notes. Here is one of them, said Mr. Clay. [He here held up to the gaze of the Senate a Treasury note, having all the appearance of a bank note, colored, engraved, and executed like any other bank note, for \$50.]

This, continued Mr. Clay, is a Government paper note, put into circulation, paid out as money, and prepared and sent forth, gradually to accustom the People of this country to Government paper.

I have supposed \$10,000 to be received in the mode stated by a person entitled to receive it under an appropriation law. Now, let us suppose what he will do with it. Any where to the South or West it will command a premium of from two to five per cent. Now here in the United States with it he under par. Do you suppose that the holder of these drafts would be fool enough to convert them into specie, to be carried and transported at his risk? Do you think that he would not prefer that this money should be in the responsible custody of the Government, rather than in his own insecure keeping? Do you think he will deny to himself the opportunity of realizing the premium of which he may be perfectly sure? The greatest want of the country is a medium of general circulation, and of uniform value every where. That, especially, is our want in the Western and interior States. Now here is exactly such a medium; and, supposing the Government bank to be honestly and faithfully administered, it will, during such an administration, be the best convertible paper money in the world, for two reasons: The first is, that every dollar of paper out will be the representative of a dollar of specie in the hands of the receivers general, or other depositaries; and, secondly, if the receivers general should embezzle the public money, the responsibility of the Government to pay the drafts issued upon the basis of that money would remain unimpaired. The paper, therefore, would be as far superior to the paper of any private corporation as the ability and resources of the Government of the United States are superior to those of such corporations.

The banking capacity may be divided into three faculties: deposits, discount of bills of exchange, and promissory notes, or either, and circulation. This Government bank would combine them all except that it will not discount private notes, nor receive private deposits. In payments for the public lands, indeed, individuals are allowed to make deposits, and to receive certificates of their amount. To guard against their negotiability, a clause has been introduced to render them unassignable. But how it will be possible to maintain such an inconvenient restriction, in a country where every description of paper imposing an obligation to pay money or deliver property is assignable, at law or in equity, from the commercial nature and trading character of our paper?

All the facilities which I have stated of a bank, that which creates a circulation is the most important to the community at large. It is that in which thousands may be interested, who never obtained a discount, or made a deposit with a bank. Whatever a Govern-

ment agrees to receive in payment of the public dues is a medium of circulation, is money, current money, no matter what its form may be. Treasury notes, drafts drawn at Washington, by the Treasurer, on the receiver general at New York, or, to use the language employed in various parts of this bill, "such bills, or papers, issued under the authority of the United States," these various provisions were probably inserted not only to cover the case of Treasury notes but that of these drafts in due season. But if there were no express provision of law, that these drafts should be receivable in payment of public dues, they would, necessarily, be so employed, from their own intrinsic value.

The want of the community of a general circulation of uniform value everywhere in the United States would occasion vast amounts of the species of drafts which I have described to remain in circulation. The appropriations this year will probably fall not much short of thirty millions. Thirty millions of Treasury drafts on receivers general, of every denomination, and to any amount, may be issued by the Secretary of the Treasury. What amount would remain in circulation cannot be determined a priori. I suppose not less than ten or fifteen millions; at the end of another year, some ten or fifteen millions more; they would fill all the channels of circulation. The war between the Government and State banks continuing, and this mammoth Government bank being in the market, constantly demanding specie for its varied and ramified operations, confidence would be lost in the notes of the local banks, their paper would gradually cease to circulate, and the banks themselves would be crippled and broken. The paper of the Government bank would ultimately fill the vacuum, as it would instantly occupy the place of the notes of the late Bank of the United States.

I am aware, Mr. President, that by the 25th section of the bill, in order to disguise the purpose of the vast machinery which we are about constructing, it is provided that it shall be the duty of the Secretary of the Treasury to issue and publish regulations to enforce the speedy presentation of all Government drafts for payments at the place where payable, &c. Now, what a tremendous power is here vested in the Secretary! He is to prescribe rules and regulations to enforce the speedy presentation of all Government drafts for payment at the place where payable. The speedy presentation! In the case I have supposed, a man has his \$10,000 in drafts on the receiver general at New York. The Secretary is empowered to enact regulations requiring him speedily to present them, and, if he do not, the Secretary may order them to be paid at St. Louis. At New York they may be worth a premium of five per cent.; on St. Louis they may be liable to a discount of five per cent. Now, in a free Government, who would ever think of subjecting the property or money of a citizen to the exercise of such a power by any Secretary of the Treasury? What opportunity does it not afford to reward a partisan, or punish an opponent? It will be impossible to maintain such an odious and useless restriction for any length of time. Why should the debtor (as the Government would be in the case of such drafts as I have supposed) require his creditor (as the holder of the draft would be) to apply within a prescribed time for his payment? No, sir; the system would control you; you could not so control the system. But if such a ridiculous restriction could be so continued, the drafts would, nevertheless, whilst they were out, be the time long or short, perform the office of circulation and money.

Let us trace a little further the operation of this Government bank, and follow it out to its final explosion. I have supposed the appropriation of some thirty millions of dollars annually by the Government, to be disbursed in the form of drafts, issued at Washington by the Treasury Department, upon the depositaries. Of that amount, some ten or fifteen millions would remain, the first year, in circulation; at the end of another year, a similar amount would continue in circulation; and so on, from year to year, until, at the end of a series of some five or six years, there would be in circulation, to supply the indispensable wants of commerce and of a general medium of uniform value, not less than some sixty or eighty millions of drafts issued by the Government. These drafts would be generally upon the receiver general at New York, because, on that point, they would be preferred over all others, as they would command a premium, or be at par, throughout the whole extent of the United States; and we have seen that the Secretary of the Treasury is invested with ample authority to concentrate at that point the whole revenue of the United States.

All experience has demonstrated that in banking operations a much larger amount of paper can be kept out in circulation than the specie which it is necessary to retain in the vaults to meet it when presented for payment. The propositions which the same ex-

perience has ascertained to be entirely safe are one of specie to three of paper. If, therefore, the Executive Government had sixty millions of dollars accumulated at the port of New York, in the hands of the receiver general, represented by sixty millions of Government drafts in circulation, it would be known that twenty of that sixty millions would be sufficient to retain to meet any amount of drafts which, in ordinary times, would be presented for payment. There would then remain forty millions in the vaults, idle and unproductive, and of which no practical use could be made. Well; a great election is at hand in the State of New York, the result of which will seal the fate of an existing administration. If the application of ten millions of that dormant capital could save, at some future day, a corrupt Executive from overthrow, can it be doubted that the ten millions would be applied to preserve it in power? Again: let us suppose some great exigency to arise, a season of war, creating severe financial pressure and embarrassment. Would not an issue of paper, founded upon and exceeding the specie in the vaults, in some such proportions as experience demonstrated might be safely emitted, be authorized? Finally, the whole amount of specie might be exhausted, and then, as it is easier to engrave and issue bank notes than to perform the unpopular office of imposing taxes and burdens, the discovery would be made that the credit of the Government was a sufficient basis whereupon to make emissions of paper money, to be redeemed when peace and prosperity returned. Then we should have the days of continental money and of assignats, restored! Then we should have that Government paper medium, which the Senator from South Carolina [Mr. Calhoun] considers the most perfect of all currency!

Meantime, and during the progress of this vast Government machine, the State banks would be all prostrated, working well, as it may, if honestly administered, in the first period of its existence, it will be impossible for them to maintain the unequal competition. They could not maintain it, even if the Government were actuated by no unfriendly feelings towards them. As when we know the spirit which animates the present Executive towards them, who can doubt that they must fall in the unequal contest? Their issues will be discredited and discontinued; and that system of bankruptcy which the President would even now put into operation against them, will, in the sequel, be passed and enforced without difficulty.

Assuming the downfall of the local banks, the inevitable consequence of the operations of this great Government bank; assuming, as I have shown would be the case, that the Government would monopolize the paper issues of the country, and obtain the possession of a great portion of the specie of the country, we should then behold a combined and concentrated moneyed power equal to that of all the existing banks of the United States, with that of the late Bank of the United States superadded. This tremendous power would be wielded by the Secretary of the Treasury, acting under the immediate commands of the President of the United States. Here would be a perfect union of the sword and the purse; here would be no imaginary, but an actual, visible, tangible, consolidation of the moneyed power. Who or what could withstand it? The States themselves would become supplicants at the feet of the Executive for a portion of those paper emissions, of the power to issue which they had been stripped, and which he now exclusively possessed.

Mr. President, my observation and experience have satisfied me that the safety of liberty and prosperity consist in the division of power, whether political or pecuniary. In our federal system, our security is to be found in that happy distribution of power which exists between the Federal Government and the State Governments. In our monetary system, as it lately existed, its excellence resulted from that beautiful arrangement, by which the States had their institutions for local purposes, of the whole Union. There existed the greatest congeniality between all the parts of this admirable system. All was homogeneous. There was no separation of the Federal Government from the States or from the People. There was no attempt to execute practically that absurdity of sustaining among the same People, two different currencies of unequal value. And how admirably did the whole system, during the forty years of its existence, move and work! And on the two unfortunate occasions of its ceasing to exist, how quickly did the business and transactions of the country subside into disorder and utter confusion!

Hitherto, I have considered this new project as it is, according to its true nature and character, and what it just inevitably become. I have not examined it as it is not, but as its friends would represent it to be.

They hold out the idea that it is a similar contrivance to collect, to keep and to disburse the public revenue. In that view of it, every consideration of safety and security recommends the agency of responsible corporations, rather than the employment of particular individuals. It has been shown, during the course of this debate, that the amount which has been lost by the defalcation of individuals has exceeded three or four times the amount of all that has been lost by the local banks, although the sums confided to the care of individuals have not been probably one-tenth part of the amount that has been in the custody of the local banks. And we all know that, during the forty years of the existence of the two Banks of the United States, not one cent was lost of the public revenue.

I have been curious, Mr. President, to know whence this idea of receivers general was derived. It has been supposed to have been borrowed from France. It required all the power of that most extraordinary man that ever lived, Napoleon Bonaparte, when in his meridian greatness, to displace the farmers general, and to substitute in their place the receivers general. The new system requires, I think I have heard it stated, something like 100,000 employees to have it executed. And, notwithstanding the modesty of the infant promises of this new project, I have no doubt that ultimately we shall have to employ a number of persons approximating to that which is retained in France. That will undoubtedly be the case whenever we shall revive the system of internal taxation. In France, what reconciled them to the system was, that Napoleon first, and the Bourbons afterwards, were pleased with the immense patronage which it gave them. They liked to have 100,000 dependents to add strength to the throne, which had been recently constructed or reascended. I thought, however, that the learned chairman of the committee on finance must have had some other besides the French model for his receivers general; and, accordingly, upon looking into Smith's history of his own State, I found that, when it was yet a colony, some century and a half ago, and when its present noble capital still retained the name of New Amsterdam, the historian says: "Among the principal laws enacted at this session, we may mention that for establishing the revenue, which was drawn into precedent. The sums raised by it were made payable to the hands of receivers general, and issued by the Governor's warrant. By this means the Governor became, for a season, independent of the people, and hence we find frequent instances of the Assemblies contending with him for the discharge of debts to private persons, contracted on the faith of the government." The then Governor of the colony was a man of great violence of temper, and arbitrary in his conduct. How the Sub-Treasury system of that day operated, the same historian informs us in a subsequent part of his work. "The revenue," he says, "established the last year, was at this session continued five years longer than was originally intended. This was rendering the Governor independent of the people. For, at that day, the Assembly had no treasurer, but the amount of all taxes went, of course, into the hands of the receiver general, who was appointed by the crown. Out of this fund, moneys were only issued by the Governor's warrant, so that every officer in the government, from Mr. Blatthwait, who drew annually 5 per cent. out of the revenue, as auditor general, down to the meanest servant of the public, became dependent, solely, of the Governor. And hence we find the House, at the close of every session, humbly addressing his excellency for the trifling wages of their own clerk." And, Mr. President, if this measure should unhappily pass, the day may come when the Senate of the United States will have humbly to implore some future President of the United States to grant it money to pay the wages of its own sergeant-at-arms and door-keeper.

Who, Mr. President, are the most conspicuous of those who perseveringly pressed this bill upon Congress and the American people? Its drawer is the distinguished gentleman in the white house not far off; its endorser is the distinguished Senator from South Carolina, here present. What the drawer thinks of the endorser, his cautious reserve and stifled enmity prevent us from knowing. But the frankness of the endorser has not left us in the same ignorance with respect to his opinion of the drawer. He has often expressed it upon the floor of the Senate. On an occasion not very distant, denying to him any of the nobler qualities of the royal beast of the forest, he attributed to him those which belong to the most crafty, unscrupulous, and one of the meanest of the quadruped tribe. Mr. President, it is due to myself to say that I do not altogether share with the Senator from South Carolina in this opinion of the President of the United States. I have always found him, in his manners and deportment, civil, courteous, and gentlemanly; and he dispenses, in the noble

mansion which he now occupies, one worthy the residence of the Chief Magistrate of a great people, a generous and liberal hospitality. An acquaintance with him of more than twenty years' duration has inspired me with a respect for the man, although, I regret to be compelled to say, I detest the Magistrate.

The eloquent Senator from South Carolina has intimated that the course of my friends and myself, in opposing this bill, was unpatriotic, and that we ought to have followed in his lead; and, in a late letter of his, he has spoken of his alliance with us, and of his motives for quitting it. I cannot admit the justice of his reproach. We united, if indeed, there were my alliance in the case, to restrain the enormous expansion of Executive power; to arrest the progress of corruption; to rebuke usurpation; and to drive the Goths and Vandals from the capital; to expel Brenus and his horde from Rome, who, when he threw his sword into the scale, to augment the ransom demanded from the Mistress of the world, showed his preference for gold; that he was a hard-money chieftain. It was by the much more valuable metal of iron that he was driven from her gates. And how often have we witnessed the Senator from South Carolina, with woful countenance, and in doleful strains, pouring forth touching and mournful eloquence on the degeneracy of the times, and the downward tendency of the Republic? Day after day, in the Senate, have we seen the displays of his lofty and impassioned eloquence. Although I shared largely with the Senator in his apprehension for the purity of our institutions, and the permanency of civil liberty, disposed always to look at the brighter side of human affairs, I was sometimes inclined to hope that the vivid imagination of the Senator had depicted the dangers by which we were encompassed in some what stronger colors than they justified. The arduous contest in which we were so long engaged was about to terminate in glorious victory. The very object for which the alliance was formed was about to be accomplished. At this critical moment the Senator left us; he left us for the very purpose of preventing the success of the common cause. He took up his musket, knapsack, and shot pouch, and joined the other party. He went, horse, foot, and dragoon, and he himself composed the whole corps. He went, as his present most distinguished ally commenced with his expunging resolution, solitary and alone. The earliest instance recorded in history, within my recollection, of an ally drawing off his forces from the combined army, was that of Achilles at the siege of Troy. He withdrew with all his troops, and remained in the neighborhood, in sullen and dignified inactivity. But he did not join the Trojan forces; and when, during the progress of the siege, his faithful friend fell in battle, he raised his avenging arm, drove the Trojans back into the gates of Troy, and satisfied his vengeance by slaying Priam's noblest and dearest son, the finest hero in the immortal Iliad. But Achilles had been wronged, or imagined himself wronged, in the person of the fair and beautiful Briseis. We did do wrong to the distinguished Senator from South Carolina. On the contrary, we respected him, confided in his great & acknowledged ability, his uncommon genius, his extensive experience, his supposed patriotism; above all, we confided in his stern and inflexible fidelity. Nevertheless, he left us, and joined our common opponents, distrustful and distrustful. He left us, as he tells us in his Edgefield letter, because the victory which our common arms were about to achieve, was not to ensure to him and his party, but exclusively to the benefit of his allies and their cause. I thought that, actuated by patriotism, (that noblest of human virtues,) we had been contending together for our common country, for her violated rights, her threatened liberties, her prostrate Constitution. Never did I suppose that personal or party considerations entered into our views. Whether, if victory shall ever again be about to perch upon the standard of the spoils party, (the denomination which the Senator from South Carolina has so often given to his present allies,) he will not feel himself constrained, by the principles on which he has acted, to leave them, because it may not prove to the benefit of himself and his party, I leave to be adjusted between themselves.

The speech of the Senator from S. Carolina was plausible, ingenious, abstract, metaphysical, and generalizing. It did not appear to me to be adapted to the solemn and business of human life. It was ornate, and not so very high up in the air. Mr. President, either not quite so high as Mr. Clayton was in his last ascension in his balloon. The Senator announced that there was a single alternative, and no escape from one or the other branch of it. He stated that we must take the bill under consideration, or the substitute proposed by the Senator from Virginia. I do not concur in that statement of the case. There is another course embraced in another branch of the Senator's

They hold out the idea that it is a similar contrivance to collect, to keep and to disburse the public revenue. In that view of it, every consideration of safety and security recommends the agency of responsible corporations, rather than the employment of particular individuals. It has been shown, during the course of this debate, that the amount which has been lost by the defalcation of individuals has exceeded three or four times the amount of all that has been lost by the local banks, although the sums confided to the care of individuals have not been probably one-tenth part of the amount that has been in the custody of the local banks. And we all know that, during the forty years of the existence of the two Banks of the United States, not one cent was lost of the public revenue.

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The eloquent Senator from South Carolina has intimated that the course of my friends and myself, in opposing this bill, was unpatriotic, and that we ought to have followed in his lead; and, in a late letter of his, he has spoken of his alliance with us, and of his motives for quitting it. I cannot admit the justice of his reproach. We united, if indeed, there were my alliance in the case, to restrain the enormous expansion of Executive power; to arrest the progress of corruption; to rebuke usurpation; and to drive the Goths and Vandals from the capital; to expel Brenus and his horde from Rome, who, when he threw his sword into the scale, to augment the ransom demanded from the Mistress of the world, showed his preference for gold; that he was a hard-money chieftain. It was by the much more valuable metal of iron that he was driven from her gates. And how often have we witnessed the Senator from South Carolina, with woful countenance, and in doleful strains, pouring forth touching and mournful eloquence on the degeneracy of the times, and the downward tendency of the Republic? Day after day, in the Senate, have we seen the displays of his lofty and impassioned eloquence. Although I shared largely with the Senator in his apprehension for the purity of our institutions, and the permanency of civil liberty, disposed always to look at the brighter side of human affairs, I was sometimes inclined to hope that the vivid imagination of the Senator had depicted the dangers by which we were encompassed in some what stronger colors than they justified. The arduous contest in which we were so long engaged was about to terminate in glorious victory. The very object for which the alliance was formed was about to be accomplished. At this critical moment the Senator left us; he left us for the very purpose of preventing the success of the common cause. He took up his musket, knapsack, and shot pouch, and joined the other party. He went, horse, foot, and dragoon, and he himself composed the whole corps. He went, as his present most distinguished ally commenced with his expunging resolution, solitary and alone. The earliest instance recorded in history, within my recollection, of an ally drawing off his forces from the combined army, was that of Achilles at the siege of Troy. He withdrew with all his troops, and remained in the neighborhood, in sullen and dignified inactivity. But he did not join the Trojan forces; and when, during the progress of the siege, his faithful friend fell in battle, he raised his avenging arm, drove the Trojans back into the gates of Troy, and satisfied his vengeance by slaying Priam's noblest and dearest son, the finest hero in the immortal Iliad. But Achilles had been wronged, or imagined himself wronged, in the person of the fair and beautiful Briseis. We did do wrong to the distinguished Senator from South Carolina. On the contrary, we respected him, confided in his great & acknowledged ability, his uncommon genius, his extensive experience, his supposed patriotism; above all, we confided in his stern and inflexible fidelity. Nevertheless, he left us, and joined our common opponents, distrustful and distrustful. He left us, as he tells us in his Edgefield letter, because the victory which our common arms were about to achieve, was not to ensure to him and his party, but exclusively to the benefit of his allies and their cause. I thought that, actuated by patriotism, (that noblest of human virtues,) we had been contending together for our common country, for her violated rights, her threatened liberties, her prostrate Constitution. Never did I suppose that personal or party considerations entered into our views. Whether, if victory shall ever again be about to perch upon the standard of the spoils party, (the denomination which the Senator from South Carolina has so often given to his present allies,) he will not feel himself constrained, by the principles on which he has acted, to leave them, because it may not prove to the benefit of himself and his party, I leave to be adjusted between themselves.

The speech of the Senator from S. Carolina was plausible, ingenious, abstract, metaphysical, and generalizing. It did not appear to me to be adapted to the solemn and business of human life. It was ornate, and not so very high up in the air. Mr. President, either not quite so high as Mr. Clayton was in his last ascension in his balloon. The Senator announced that there was a single alternative, and no escape from one or the other branch of it. He stated that we must take the bill under consideration, or the substitute proposed by the Senator from Virginia. I do not concur in that statement of the case. There is another course embraced in another branch of the Senator's

They hold out the idea that it is a similar contrivance to collect, to keep and to disburse the public revenue. In that view of it, every consideration of safety and security recommends the agency of responsible corporations, rather than the employment of particular individuals. It has been shown, during the course of this debate, that the amount which has been lost by the defalcation of individuals has exceeded three or four times the amount of all that has been lost by the local banks, although the sums confided to the care of individuals have not been probably one-tenth part of the amount that has been in the custody of the local banks. And we all know that, during the forty years of the existence of the two Banks of the United States, not one cent was lost of the public revenue.

I have been curious, Mr. President, to know whence this idea of receivers general was derived. It has been supposed to have been borrowed from France. It required all the power of that most extraordinary man that ever lived, Napoleon Bonaparte, when in his meridian greatness, to displace the farmers general, and to substitute in their place the receivers general. The new system requires, I think I have heard it stated, something like 100,000 employees to have it executed. And, notwithstanding the modesty of the infant promises of this new project, I have no doubt that ultimately we shall have to employ a number of persons approximating to that which is retained in France. That will undoubtedly be the case whenever we shall revive the system of internal taxation. In France, what reconciled them to the system was, that Napoleon first, and the Bourbons afterwards, were pleased with the immense patronage which it gave them. They liked to have 100,000 dependents to add strength to the throne, which had been recently constructed or reascended. I thought, however, that the learned chairman of the committee on finance must have had some other besides the French model for his receivers general; and, accordingly, upon looking into Smith's history of his own State, I found that, when it was yet a colony, some century and a half ago, and when its present noble capital still retained the name of New Amsterdam, the historian says: "Among the principal laws enacted at this session, we may mention that for establishing the revenue, which was drawn into precedent. The sums raised by it were made payable to the hands of receivers general, and issued by the Governor's warrant. By this means the Governor became, for a season, independent of the people, and hence we find frequent instances of the Assemblies contending with him for the discharge of debts to private persons, contracted on the faith of the government." The then Governor of the colony was a man of great violence of temper, and arbitrary in his conduct. How the Sub-Treasury system of that day operated, the same historian informs us in a subsequent part of his work. "The revenue," he says, "established the last year, was at this session continued five years longer than was originally intended. This was rendering the Governor independent of the people. For, at that day, the Assembly had no treasurer, but the amount of all taxes went, of course, into the hands of the receiver general, who was appointed by the crown. Out of this fund, moneys were only issued by the Governor's warrant, so that every officer in the government, from Mr. Blatthwait, who drew annually 5 per cent. out of the revenue, as auditor general, down to the meanest servant of the public, became dependent, solely, of the Governor. And hence we find the House, at the close of every session, humbly addressing his excellency for the trifling wages of their own clerk." And, Mr. President, if this measure should unhappily pass, the day may come when the Senate of the United States will have humbly to implore some future President of the United States to grant it money to pay the wages of its own sergeant-at-arms and door-keeper.

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Indulgence