

# THE LINCOLN DEMOCRAT.

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## GEN. ANDREW JACKSON

### HISTORY OF HIS DEALINGS WITH THE FINANCES OF THE COUNTRY.

#### The United States Bank.

From now to the history of Jackson's dealings with the money, a point I had expected to reach last week, but the Nullification Attempt of South Carolina intervened, and required first attention after the Bank Veto. In the case said of the Veto, Messrs. I was indebted to Charles Hunt's Life of Edward Livingston, as well as to public documents, for material facts. Mr. Livingston of the celebrated New York family, was an early friend of General Jackson. After serving a term in Congress as the Representative of his native State, he emigrated to Louisiana a few years before the purchase of the territory from France, and it was there that he met General Jackson, pending preparations for the battle in which Livingston became an aide-camp of the General. Livingston was a great lawyer, a civilian, and a student of the Civil Law of Louisiana in a style to command the admiration of Lafayette and Victor Hugo, as well as the English speaking world. He was early invited into Jackson's Cabinet after the disruption caused by the Mrs. Eaton incident.

I was also indebted to General Scott's Autobiography, an interesting work, not without a touch of the author's over-mastering self-esteem, but abounding in interesting personalities. The following involving an eminent North Carolinian, will be read with interest. Scott read law in Petersburg, with David Robinson, Esq. It will be seen, that like Caesar, he drops into the third person, in his narrative. He relates, that—"Mr. Robinson in my time, had but two other students in his office—Thomas Ruffin and John F. May. The first of these and the autobiographer did not chance to meet from 1806 to 1853, a period of forty-seven years, when Mr. Ruffin, Chief Justice of North Carolina, came to New York as a lay member of the Protestant Episcopal Convention. The greeting between them was boyishly enthusiastic. The Chief Justice, at the table of the soldier, said: "Friend Scott it is not a little remarkable, that of the three law students, in the same office, in 1805, and 1806—all yet in good preservation. Our friend May has long been at the head of the bar in Southern Virginia; I long at the head of the bench in North Carolina, and you, the youngest, long at the head of the United States Army? The last that I saw of this most excellent man, always highly conservative, he was a member of the Peace Convention that met in Washington in the spring of 1861. Had his sentiments, the same as Crittenden's revealed, we should now (July 1862) have in the thirty-four States power by several millions of widows, orphans, cripples, bankrupts and deep mourners to sadden the land. Judge May, fortunately for himself, died before the commencement of this horrid war."

In the annual message of December 4, 1832, President Jackson following up his veto message of the preceding July, recommended that provision be made to dispose of the United States stocks now held by it in corporations, whether created by the general or State governments, and placing the proceeds in the Treasury. As a source of profit, these stocks are of little or no value; as a means of influence among the States, they are adverse to the purity of our institutions. The whole principle on which they are based, is deemed by many unconstitutional, and to persist in the policy which they indicate is considered inexpedient. In the same message the Pres-

ident suggests to Congress the expediency of a removal of the public money from the Bank of the United States, on the following terms: "Such measures as are within the power of the Secretary of the Treasury have been taken to enable him to judge whether the public deposits in that institution may be regarded as entirely safe; but as his limited power may prove inadequate to this object, I recommend the subject to the attention of Congress, under the firm belief that it is worthy of their investigation. An inquiry into the transactions of the institution, embracing the branches, as well as the principal bank, seems called for by the credit which is given throughout the country to many serious charges impeaching its character, and which, if true, may justly excite the apprehension that it is no longer a safe depository of the money of the people."

In conformity to the first of these recommendations of the President, Mr. Polk, of Tennessee, from the Committee of Ways and Means, reported a bill authorizing the sale of the shares owned by the United States in the United States Bank. No stock was to be sold for less than the market value, nor for less than the par value. The Bank was authorized to purchase the stock, or one part of it, anything in the act to the contrary notwithstanding.

The bill having been read, and the question being on ordering it to the second reading, Mr. Charles Wickliffe of Kentucky, objected, (which at this stage is equivalent to a motion for objection) and the question then being stated in the form required by the rule, "Shall this bill be rejected?" Mr. Wickliffe rose and made a strong speech against its passage. The passage would inflict great injury upon the unprotected stockholders. It would reduce the twenty-five millions of stock by ten per cent. of its value. The year previous it was twenty to twenty-five per cent above par, in the markets of the world. The ruinous policy of the administration referring to the veto, had sunk the value of the stock twenty per cent. The United States had sustained a loss of one million four hundred thousand dollars. And why was this? He saw no reason for it, except that the President had recommended it. Mr. Wickliffe spoke earnestly and strongly, and closed his brief remarks by quoting a statement furnished in the report of the Secretary of the Treasury, showing that the government deposits in thirty-seven local banks and caused the loss of \$1,390,707 to the Treasury.

Mr. Polk briefly replied, expressing surprise that opposition was made at that early stage of the bill. He characterized Mr. Wickliffe's remarks as intended for "Buncombe," and his reference to the losses sustained by the local banks he said had nothing to do with the question.

Mr. Ingersoll, of Connecticut, sustained the views of Mr. Wickliffe, and after some further remarks by the latter gentleman, Mr. Whittlesey, of Ohio, demanded the previous question, which was ordered; and on the main question, "Shall this bill be rejected?" It was decided by yeas 102, nays 91. So the bill was rejected.

Messrs. Barringer, John Branch, Rencher, Wm. B. Shepperd and Lewis Williams voted with the majority. Messrs. Bethune, Conner, Hall, Hawkins, McKay and Speight voted with the minority. Carson did not vote.

The first session of the 23rd Congress met December 2nd, 1833. On the 10th Mr. McDuffie obtained the floor to move that the report of the Secretary of the Treasury to Congress, on the subject of the removal of the deposits, which was on the clerks table, be referred to a committee of the whole House on the State of the Union.

Mr. Polk wished to have the report referred to the committee of which he was chairman; and after a debate running through several days, and numerous votes, he succeeded in this purpose. The administration in the House a committee was appointed to investigate on the affairs of the bank, Mr. Frank Thomas, of Maryland, was chairman. He, with a majority of the committee, made a report, May 22nd, 1834. The President and directors of the bank refused to submit their books to the inspection of the committee adopted a resolution calling upon the speaker of the House to issue a warrant to the Sergeant-at-Arms to arrest Nicolas Biddle, President and Manuel Eyre, Lawrence Lewis, Ambrose White, Daniel W. Cox, John Holmes, Charles Chauncey, John Goodard, John Neff, William Phatt, Matthew Newkirk, James C. Fisher, John S. Henry and John Jergaant, Directors of the Bank, and bring them to the bar of the House, to answer for their contempt of its lawful authority.

Edward Everett, of Massachusetts, and William W. Ellsworth, of Connecticut, made a minority report. The resolution proposed by the majority of the committee for the arrest of the President and Directors of the bank was not adopted by the House. In place of it, a resolution was proposed by Mr. Adams, that the proceeding proposed would be a violation of the Constitution, but it was never called up.

The report made during the 22nd Congress by the majority and minority of a committee of investigation show the condition of the bank, as to its solvency. The report of the majority, with Mr. Polk at its head, states the case as follows:

The liabilities of the bank in 1833 were \$37,807,222, consisting of circulation, amounting to \$17,459,571. Deposits, public and private, \$13,517,517; due to holders of funded debt, \$6,723,703, and \$76,529 of unclaimed dividends. These liabilities are offset by specie in the vaults or the bank amounting to \$8,951,847; notes and obligations of the State banks, held by the National Bank, amounting to \$3,887,907; funds in Europe and foreign bills of exchange, \$3,190,225; real estate worth \$3,036,241; on notes discounted and domestic bills, amounting to \$61,695,913; mortgages, &c., \$103,330.

Total resources, \$80,865,465  
Deduct liabilities, 37,807,322

Balance in favor of bank, \$43,058,143

The majority report held that this state of things did not indicate a sound condition of the bank, that the large amount of indebtedness of the West to the bank could not be regarded as liable, and the report placed in a parallel column the condition of the bank in 1819; when Mr. Cheves, the president of the institution, and Mr. Crawford, the Secretary of State, both regarded it in a very precarious condition.

In 1819 the liabilities of the bank were as follows:

Notes in circulation,	\$6,829,660
Deposits, public and private,	6,147,610
Due in Europe,	876,647
Total,	\$13,853,948

The resources were—

Specie,	\$2,104,720
Notes and obligations of State Banks,	1,749,951
Domestic bills,	33,480,025
Funded debt,	7,160,310
Total,	\$44,404,906
Deduct liabilities,	13,853,948

Balance in favor of bank, \$30,640,958

The majority report fails to call attention to the marked difference in the amount of specie held by the Bank, in 1833, in proportion to circulation, as compared with the same conditions in 1819. In 1833,

the specie in the Bank mounted to more than half the circulation; while in 1819, the specie held was less than one-third the amount of bills in circulation.

It is to be considered, also, that in 1833, the specie in the Bank have the ratio of nearly one-ninth of the total liabilities; while in 1819, the specie in the Bank was to the liabilities in the ratio of less than one to twenty one.

The minority report insisted that the debts due the Banks from the West were safe, and about as reliable as those due from the eastern cities.

The process of removing the deposits of the public money from the Bank of the United States began, September 26, 1833. On that day, Mr. Taney, the Secretary of the Treasury, addressed a note to James N. Barker, Esq., Collector at Philadelphia, informing him that the public interests required that the bank of the United States and that he had determined to use the State banks as places of public deposits, and that he had selected for that purpose in the city of Philadelphia, the Girard Bank. The collector was furnished with the draft of a contract to be entered into with the bank. In the mean time he was to continue depositing with the bank of the United States until the 30th of the month, four days longer, while the papers were being entered into with the Girard Bank.

In a note of the same date, Sept. 26th, to Mr. Biddle, the President of the United States Bank, the Secretary directed him to deliver to the collector at Philadelphia, all bonds to the United States, payable on or after the first day of October next, which might be in his possession.

Similar agreements were entered into by the Secretary, in October, with the Maine Bank, of Portland, and the Franklin Bank, of Cincinnati. Other local banks were selected afterwards.

The Secretary, Mr. Taney, in obedience to the law, addressed a letter to the Speaker of the House of Representatives, dated December 3rd, 1833, explaining his reasons for the removal of the deposits from the Bank of the United States. The Whigs denied his right to do this, which was all folly, and displayed their ignorance of the wording of the charter. Express power is given the Secretary by the 16th section, to take the deposits from the bank, at his discretion, which he must afterwards explain to Congress.

Mr. Taney arraigns the bank on the charge of using its great resources to influence the elections, which he infers from the great increase of discounts. He says: "About the first of December, 1832, it had been ascertained that the present Chief Magistrate was re-elected, and that his decision against the bank had thus been sanctioned by the people. At that time the discounts of the bank amounted to \$61,571,625.66. Although the issue, which the bank took so much pains to frame had been tried, and the decision pronounced against it, yet no steps were taken to prepare for the approaching end. On the contrary, it proceeded to enlarge its discounts, and on the 8th of August, 1833, they amounted to \$64,160,349.14, being an increase of more than two and a half millions in the eight months immediately following the decision against them. And so far from preparing to arrange its affairs with a view to wind up its business, it seems from this course of conduct to be the design of the bank to put itself in such an attitude, that, at the close of its charter, the country would be compelled to submit to its renewal, or to bear all the consequences of a currency suddenly deranged, and also a severe pressure for the immense outstanding claims which would then be due to corporation."

This seems to be a rather far

fetched argument against the bank; and it cannot be easily reconciled with the following, which the secretary urges, later on in this explanatory letter. He goes on to say that in 1833, "The situation of the mercantile claims also rendered the usual aids of the bank more than even necessary to sustain them in their business. The demands of the public upon those engaged in commerce were consequently unusually large, and they had a just claim to the most liberal indulgence from the fiscal agent of the government, which had for so many years been reaping harvests of profits from the deposits of the public money. But the bank about this time changed its course and the secretary goes on to show that the bank had reduced its accommodations, in the way of loans and domestic bills, from \$64,160,349.14, which he had complained of as too large, to \$60,094,292.93. It is but fair to state that this reduction of business on the part of the bank, would seem to have been the natural consequence of the threat that had been thrown out, to withdraw the deposits of the public money from it and place them under control of rival banks.

General Jackson had no little difficulty in finding a man who was ready to obey his behests in the matter of removing the deposits. Public men were generally against the policy. Mr. McLane, who was appointed Secretary of the Treasury in 1831 to succeed Mr. Ingham, was not willing to take the job, and he was transferred to the State Department. Gen. Cass, Secretary of War, was opposed to removal. Mr. Van Buren was opposed to it. The whole cabinet was opposed to the removal, except the Attorney-General, Taney; whereupon he was appointed in place of Duane, and he removed the deposits, and was rewarded with the Chief Justiceship at the death of Judge Marshall.—DANIEL R. GOODRICE, in News and Observer.

#### Roger Q. Mills on Free Coinage.

In 1838 a Democratic Congress, finding the country destitute of silver, thought we had coined up to that time more than \$85,000,000 of that metal, determined to restore it to our circulation by coining it as a subsidiary money, and over-valuing it enough to keep the coins in our circulation and to prevent the over-valued silver from so raising prices as to expel the gold, they took from private depositors the right of coinage, confined it to the government account and within such limits as should be prescribed by the Secretary of the Treasury. The subsidiary silver was coined at the ratio of 14.85 to 1. It was over-valued about 8 per cent., and yet, in the judgment of the men of that Congress, that was a margin of profit enough to take all the gold out of our circulation. What would they have thought of a proposition to keep both gold and silver in circulation with unlimited coinage of silver at 50 per cent. discount? This was not a Republican, but a Democratic Congress. It was presided over by David R. Atchison, of Missouri, in the Senate, and Lynn Boyd, of Kentucky, in the House. R. M. T. Hunter, a distinguished Democratic statesman from Virginia, was chairman of the committee on finance in the Senate, and George S. Houston, one of the greatest statesmen Alabama ever produced, was chairman of the committee on ways and means in the House. In that Congress were Sam Houston, Rusk, Douglass, Case, Hendricks, Bright, Shields, Breckinridge and other distinguished Democratic leaders. Mr. Hunter, who introduced the bill in the Senate and reported it from the finance committee, said in his

report that "the great measure of readjusting the legal ratio between gold and silver cannot be safely attempted until some permanent relations between the market value of the two metals should be established. If it could not be safely attempted when gold was at a discount of 4 per cent., can it be safely attempted when silver is at a discount of 50 per cent? Mr. Hunter and the Democratic statesmen that supported him determined that it was safe to permit the existing standard of gold to remain. They determined that the proper ratio to establish and keep a common standard of both metals should be left for future settlement when conditions were more favorable, and they contented themselves with the safer policy that preserved the standard of all existing contracts and provided for a fractional silver currency to meet the demands of everyday commerce. When the bill passed the Senate and went to the House it was reported from the committee on ways and means by Mr. Dunham, of Indiana, a distinguished Democratic Representative of the State. He was very explicit in his statement of the objects sought to be obtained by the bill. "We intend," he said, "to do what the best writers on political economy have approved; what experience, where the experiment has been tried, has demonstrated to be best; and what the committee believes to be necessary and proper—to make but one standard of currency and to make all others subservient to it. We mean to make gold the standard coin and to make these new silver coins applicable and convenient, not for large, but for small transactions." Mr. Skelton, another member of the committee, and a Democratic Representative from New Jersey, in supporting the bill, said: "The bill does not propose to change the value of the gold currency. It does not propose to disturb the standard of value now existing throughout the country. Gold is the only standard of value by which all property is now measured. It is virtually the only currency of the country." The introduction of the gold standard was done by a Democratic Congress under the administration of Andrew Jackson and was the result of an effort to restore gold to our circulation. The standard was recognized by a Democratic Congress in 1838 as the best that could be attained under existing conditions, and as conditions have grown immeasurably worse since then, in my judgment the best thing that we can do now is to follow the example set for us by the Democratic statesmen in 1838 and let the existing standard remain as they did, and coin silver and fractional silver as a subsidiary metal and coin all that will float at par with gold."

The pleasant service of keeping up the Democratic hymn now devolves almost solely upon those papers and speakers who have sat in their regular pews and tried in their humble way to keep the services going along decently and in order. Those fellows who put silver rings on their fingers and bells on their toes and hopped out on the floor and jumped and shouted as if they had got all the religion in the party and called to the pew people to repent are suddenly finding themselves too hoarse to help the singing much. Get down, brethren, on the wheat straw at the front seat and meditate on the golden texts, while the rest of us sing of the blest tie that binds. And may your hoarseness soon pass away.—Gastonia Gazette.

Human life is held too cheaply when the individual who needs a tonic for his system, seeks to cover his wants by purchasing every new mixture that is recommended to him. Remember that Ayer's Sarsaparilla has a well-earned reputation of fifty year's standing.

## TRUE BILLS BY THE GRAND JURY.

### Against Brown and Satterfield.

The grand jury of Wake Superior Court returned a true bill against S. P. Satterfield, principal clerk of the lower house of the last Legislature, and J. W. Brown, engrossing clerk, for fraud in connection with the much talked of assignment act, says a Raleigh special to the Charlotte Observer. Three witnesses were before the grand jury, these being Chief Clerk Batchelor, of the Department of State; State Librarian Ellington and R. L. Smith, member of the lower house from Stanley. Miss Daisy Branson, of Raleigh, was marked as a witness but did not appear, being at Atlanta. There are seven counts in the indictments against Satterfield. One charges that he wilfully, knowingly, corruptly and fraudulently delivered to Brown the assignment act, the same never having been passed by either house, but which had been tabled prior to the date when thus delivered. Another count charges that Satterfield violated the true intent and meaning of his oath by delivering for enrollment an act which had never been passed, and that that fact was well-known to Brown. The other counts set forth the offense in different forms. The bill against Brown has several counts, and finds that he corruptly, fraudulently and knowingly enticed the bill, which had never passed. Capias will be issued for both Brown and Satterfield, and they will be regularly taken under it and brought here and required to give bond to the sheriff for their appearance at the January term of court. Failing to do this, they will go to jail.

## VOTERS' QUALIFICATION IN SOUTH CAROLINA.

### Would-be Voters Must be Registered Residents who pay their Poll-Tax.

The qualifications for the suffrage in South Carolina, as agreed upon in the committee of the constitutional convention, contains, it appears, nothing exceptional. The would-be voter must be a registered resident who has paid his poll-tax and can read and write, or be a resident who pays taxes on \$800 worth of property. Till January 1, 1898, persons who cannot read or write may be registered and have the right to vote if they can understand and explain a clause in the constitution when read to them. The main requirement, it is seen, is such a degree of intelligence as enables the citizen to acquire the elements of an education or the possession of a certain amount of property, the acquisition and retention of which is assumed to imply a like amount of intelligence. The literary requirement is not to be applied at once, but the illiterate are to be given two years in which to learn to read and write. Payment of taxes is to be required of all would-be voters. The list of voters is to be revised every ten years.

## Nine-Tenths of the Republicans Opposed to Free Coinage.

About nine-tenths of the Republicans in North Carolina are opposed to free and unlimited silver coinage and do not propose to be dumped, bag and baggage, into the laps of our Populist friends; nor led into the new silver party being formed, as many of them believe, by certain Democratic leaders, to capture the Populists. They have an abiding faith in the financial policy of the great Republican party, and they are willing to wait until the national Republican convention meets and formulates a policy that will give relief and restore prosperity to the country.—Winston Republican.