

condition of the public sentiment were known and understood, that its distribution, in some form or other, would be demanded by the country. On the other hand, it seems to have been determined by the party, and some of those who act with it thoroughly, that the money should remain where it was in the deposit banks, so that it could be wielded at pleasure by the executive. This order grew out of the contest to which I have referred. It was issued not by the advice of Congress or under the sanction of any law. It was delayed until Congress was fairly out of the city, and all possibility of interference by legislation was removed; and then came forth this new and last expedient. It was known that these funds, received for public lands, had become a chief source of revenue, and it may have occurred to some that the passage of a treasury order of this kind would have a tendency to embarrass the country; and as the bill for the regulation of the deposits had just passed, the public might be brought to believe that all the mischief occasioned by the order was the effect of the distribution bill. It has, indeed, happened, that this scheme has failed; the public understand it rightly, but that was not by any means certain at the time the measure was devised. It was not then foreseen that the people would as generally see through the contrivance as it has since been found that they do. There may have been various other motives which led to the measure. Many minds were probably to be consulted; for it is not to be presumed that a step like this was taken without consultation, and guided by the will of a single individual alone. That is not the way in which these things are done. No doubt one effect hoped for by some was, that a check would be put to the sales of the public lands. The operation of the order would naturally be, to raise the price of land by raising the price of the currency in which it was to be paid for. But, while this would be the effect on small buyers, those who purchased on a large scale would be enabled to sell at an advance of ten or fifteen per cent. over what would have been given if the United States lands had been open to purchasers in the ordinary way. Those who had borrowed money of the deposit banks and paid it out for lands, would thus be enabled to make sales to advantage; and by means of such sales make payment to the banks who found it necessary to call in their large loans, in order to meet the provisions of the deposit bill. The order, therefore, was likely to operate to the common benefit of the deposit banks and the great land dealers, while it counteracted the effect of the obnoxious deposit bill. There may have been yet another motive actuating some of those who devised this order. There was danger that the deposit banks, when called upon to refund the public treasure, would be unable to do it: indeed, it was said on this floor that the immediate effect of the distribution bill would be to break those banks. Now this treasury order would operate to col-

lect the specie of the country into the land offices, whence it would immediately go into the deposit banks, and would prove an acceptable aid to them while making the transfers required by law. These seem to me to have been among the real motives which led to the adoption of that order."

Mr. Ewing then argued at length against the legality of the treasury circular, quoting the joint resolution of 1816, and insisting that its provisions had been violated; also insisting on the largeness of the surplus, and that it had turned out to be much larger than was admitted by the friends of the administration; which latter assertion was in fact true, because the appropriations for the public service (the bills for which were in the hands of the opposition members) had been kept off till the middle of the summer, and could not be used; and so left some fifteen millions in the treasury of appropriated money which fell under the terms of the deposit act, and became divisible as surplus.

Mr. Benton replied to Mr. Ewing, saying:

"In the first of these objects the present movement is twin brother to the famous resolution of 1833, but without its boldness; for that resolution declared its object upon its face, while this one eschews specification, and insidiously seeks a judgment of condemnation by inference and argument. In the second of these objects every body will recognize the great design of the second branch of the same famous resolution of 1833, which, in the restoration of the deposits to the Bank of the United States, clearly went to the establishment of the paper system, and its supremacy over the federal government. The present movement, therefore, is a second edition of the old one, but a lame and impotent affair compared to that. Then, we had a magnificent panic; now, nothing but a miserable starveling! For though the letter of the president of the Bank of the United States announced, early in November, that the meeting of Congress was the time for the new distress to become intense, yet we are two weeks deep in the session, and no distress memorial, no distress deputation, no distress committees, to this hour! Nothing, in fact, in that line, but the distress speech of the gentleman from Ohio [Mr. Ewing]; so that the new panic of 1836 has all the signs of being a lean and slender affair—a mere church-mouse concern—a sort of dwarfish, impish imitation of the gigantic spectre which stalked through the land in 1833."

Mr. Benton then showed that this subaltern and Lilliputian panic was brought upon the stage in the same way, and by the same managers, with its gigantic brother of 1833-'34; and quoted from

ing of the Senate body, Mr. Ewing, tentation to move a treasury circular; r. Benton made it the resolution at ldom resorted to, to be so opposed ong to be entitled the usual forms of on promptly, and f the resolution, in d speech, in which

was issued by the the 11th of July to the receivers of land offices in the , after the 15th of re in payment for old and silver and l by the Treasurer saving in favor of e residents in the ened to lie. This me, and expires, I ased object of this ulations in public nes of bank paper the specie currency essage of the mea- ded to be support- rs of this body and . But, before I pro- s paper, its charac- will briefly advert which it grew. I can make the thing bjects were not the bjects for which this have influenced the it, but those who last virtually exe- other and different eed to explain. It mmencement of the t there would be a r in the public trea- the country for all s. It was also well bill, or some other of this fund, would ess; and, if the true