

## REMARKS OF MR. CLAYTON, CONCERNING THE DEPOSITS.

*Tuesday, Dec. 17.*

[The Reporters were, for a short time excluded from their accustomed place. On their return to the House, Mr. CLAYTON was speaking.]

Mr. CLAYTON, after thanking the gentleman from Rhode Island for the floor, proceeded to say that he should not have troubled the House again on this subject, but for the attempt of the honorable gentleman from New-York, just before me, to convict me of an act of inconsistency between my vote at the last session, and my intimated course at the present. He should have had the candor to have forbore such an attempt, knowing that I had been stopped in my remarks, and, therefore his suggestion was founded upon an unfinished argument. I do not complain of the course taken with me, if I may now be permitted to finish the statement I was then about to make. The gentleman says I admitted that I had voted, at the last session, that the public deposits were not safe in the Bank of the U. States, and that I had now said I knew nothing of the State banks into which they had been removed; how could I, therefore, know they would be more unsafe where they are at present, than in the Bank of the United States? I proceed to answer him. When I was stopped on the former occasion, I was about to say that my opposition to the Bank was founded upon two grounds: that it was unconstitutional and inexpedient—That it was inexpedient, because the public money ought not to be connected with the private funds of individuals, for the purposes of speculation; that all speculations were unsafe; corporations were nothing but persons, as liable to misfortunes, casualties, failures, and frauds as individuals, and whether the Government funds were in the stocks of banks canals, railroads, or other private enterprises, it was as unsafe as the funds of the rest of the company, liable, as all experience proves, to dangerous fluctuations. The proposition at the last session was put to me under a direct allegation that the public deposits were safe in the U. States Bank.

Under the views just given, I did not believe them safe, and it follows conclusively that I must believe them equally unsafe in any other bank. That they will be more unsafe in local banks I have no doubt. And why? If I understand the Secretary's report, the unsafety of the deposits in the United States Bank forms no part of the reasons for his removing them—they are of an another character. Now I think the State Banks may read their fate in that of the United States Bank. In the contract made with them by the Secretary, he has unlimited discretion to remove them when he pleases; the moment that a State bank permits any thing which the Secretary thinks improper, or votes at an election in a manner not approved, the deposits will be removed again. Every bank is the centre of a circle in which it trades. Loans to an amount equal to its capacity for accommodation are made. It may so happen that this call for a removal again, may come when the Government deposits are all out in the hands of its customers. Now what will be the consequence. The customers will have to be pushed, or the bank must refuse to comply with the order. What if it chooses to decline a compliance with the Secretary's order? Have you any other remedy than a law suit? And think you the bank would not prefer the "law's delay" to the ruin of their dealers? What other recourse have you than the compulsory process of law? Over the Bank of the United States you hold the rod of a forfeiture of its charter, if it violates that charter, and in this it is too much interested to risk incurring your displeasure. Not so with the State Banks. You have no control over their charters. They derive them from another source, and are perfectly independent of you in every thing but the obligations of a simple contract, which they can draw into litigation upon the pretext that you have treated them unjustly; and this they would certainly do, if your order found your deposits from home, rather than involve its affairs in ruin. This may be the case in three hundred banks, there being about that number in the U. S. for the deposits can, if the Sec'y, chooses, be divided among the whole of them, giving to the Executive branch of Government, the most unbounded influence over all the State Governments—an influence that nothing can resist, just because it is a monied influence. And this, connected with the great Central Government at this place, would create a power that nothing could withstand. Besides, Mr. Speaker, what has been done may be done again. Trading has been carried on in the stock of the Bank of the United States to a very great extent, by reason of the use of political information and public documents emanating from this place. What if similar speculations were undertaken upon the stocks of State Banks? Does not every one perceive that a thing would so influence their value as the sudden removal of the deposits, and if these revolutions, either by accident or design, were to be frequent, that immense fortunes could be won or lost, at the mere discretion of one individual. I will place such a ruinous power in the hands of no one man.

Mr. Speaker, a speedy determination of this question is all important to the repose of the country, and that determination can be most expeditiously had in the Committee on the State of the Union—The Secretary has formed his opinion on the reasons contained in his report, or he has not done so. If upon the former, then the Committee of Ways and Means can add nothing to them; our opinion must be formed upon his own facts and arguments, and we can judge for ourselves as well as that committee. If he has not done so, then he has decided improperly. If he has determined the question upon reasons and facts, known and unknown, at the time, and depends upon his friend, in a select committee to fish up other reasons to bear him out, then he has also decided this question improperly. Mr. Speaker, my hostility is to the charter of the bank, and not to the stockholders or its directors, it is not to those thousands of individuals who are now connected with it by a long course of dealings, the disturbance of which might entail poverty and ruin upon a now prosperous condition. I wish never to see the bank rechartered, but I wish to ease it down without injury to its numerous debtors. Is it the wish of the Government to destroy the bank at once? Can it be possible, that such a calamity is desirable? Have we not seven millions of stock in the institution, besides a balance of deposits? Is this a matter of no consequence compared with the wish to pursue the bank to destruction? No sir, depend upon it, from the weight of debt which now rests upon the community, by virtue of the great operations of the bank and its numerous branches in every quarter of the Union, by its ruin you could not possibly inflict a greater misfortune and curse upon that community.