

# THE COLUMBIA DEMOCRAT.

I have sworn upon the Altar of God, eternal hostility to every form of Tyranny over the Mind of Man.—Thomas Jefferson.

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## POLITICAL.

### REMARKS OF MR. BUCHANAN IN REPLY TO MR. DAVIS.

Mr. BUCHANAN rose and said—  
Mr. PRESIDENT: I rise to perform a painful but imperious duty, which I owe to myself. The speech which I lately delivered in favor of the Independent Treasury bill has been made, the subject of criticism and censure in another part of this Capitol; under what rule of order I confess I cannot comprehend. In some portions of the country, at public meetings and in the public press, I have been denounced as the enemy of the laboring man, and have been charged with a desire to reduce his wages, and depress his condition to that of the degraded serf of European despots.—Sentiments, have been attributed to me, which I never uttered, and which my soul abhors. I repeat, what I declared in this speech, that if I could believe for a moment that the Independent Treasury bill would prove injurious to the laboring man, it should meet my unqualified opposition.

I had intended to embrace the first opportunity which presented of doing myself justice upon this subject. Business called me away, and I was absent whilst the Senator from Kentucky [Mr. CRITTENDEN] addressed the Senator on the resolutions now before it. I understood that he had referred to the wages of labor, in no offensive terms to me, however; but in such a manner as to have presented the opportunity which I so much desired. When the Senator from New York, [Mr. TALLMADGE], afterwards alluded to the same subject, the debate had assumed a personal character, and I was not the man to interfere against him in such a contest. He had said nothing which could excite any disposition on my part to pursue such a course.

Had I obtained the floor at any time during the last week, my explanation would have been short and simple. The means, and the only means, by which it was alleged that I had sought to reduce the wages of labor to the standard of the hard money despots of Europe, was, by the introduction of an exclusive metallic currency into this country. Now, to such a radical change in our currency, I have ever been opposed. I have avowed my opposition repeatedly upon this floor and elsewhere; and never more distinctly than in my late speech in favor of the Independent Treasury. My motto has always been to reform, not to destroy the banks; and I have endeavored to prove—with what success, I must leave the public to judge—that such a radical reform in these institutions as would prevent violent expansions and contractions of the currency, and thus enable them always to redeem their notes in specie, would prove eminently beneficial to all classes of society, but more especially to the laboring man.

On Saturday evening last a message was sent me by a friend, requesting me to examine the published speech of the Senator from Massachusetts, [Mr. DAVIS], and suggesting that it contained an erroneous statement of the arguments which I had used in favor of the Independent Treasury bill.

I examined his speech in the National Intelligencer, having never read it before, and I confess it struck me with the utmost astonishment. I found that, throughout, he had attributed to me arguments in favor of the bill which I never used; nay more, that the objections to the bill, which I had endeavored to combat, had been imputed to me as the very arguments which I urged in its favor.

I shall proceed to make some remarks upon his speech. In performing this duty, it is my sole purpose to justify myself, without feeling the slightest disposition to do him injury.

In my remarks I urged the passage of the Independent Treasury Bill, because it would separate the banks from the Government, and would render the money of the people always secure, and always ready to promote their prosperity in peace and to defend them in war. Great as are the advantages, direct and incidental, which the country will derive from the passage of this bill, I knew that it could accomplish little or nothing, towards reforming our paper currency, or restraining the banks within safe limits. This opinion I have declared upon all occasions, and never more emphatically than in my late speech. I stated that the additional demand for gold and silver which it might create would not exceed five millions of dollars per annum, according to the President's estimate; and that although this might compel the banks to keep more specie in their circulation and deposits, yet that it would prove but a very inadequate restraint upon excessive banking. Nay, more; I plumed myself upon the fact that I had been the first to suggest the amendment requiring the holders of Treasury drafts to present them for payment to the depositories with a view to the purpose of saving the banks from the injury which might be inflicted upon them by locking up a large surplus of revenue in gold and silver in the vaults of the depositories. And I endeavored to prove, not only by my own arguments, but by the authority of one of the most distinguished financiers that this country has ever produced, that the banks never could be injured by the adoption of the Independent Treasury bill, unless in the event of a large surplus revenue, which would not probably soon occur. I also stated that it would thus become their interest, as it already was that of the rest of the community, to prevent the accumulation of such a surplus. In referring to the blessings which would flow to the laboring man from the existence of a sound mixed currency, whose basis should be gold and silver, I expressly declared that the bill would exercise no great influence in producing this desirable result.

Again, in speaking of the effect which this measure would produce in reducing the amount of our imports—a consummation devoutly desired by all—what was my argument? That the bill would, in some degree, especially after June, 1842, diminish our imports; because we should then have a system of cash duties, which would operate as an encouragement to our domestic manufactures.

One of the great objects of my speech was to answer the objections which had been urged against the Independent Treasury bill, by proving that it would not injuriously influence the business of the country in the manner which had been predicted by its enemies; and especially that it would produce little or no effect upon the sound and solvent banks of the country. I thought I had succeeded. It certainly never entered into my conception that any person on the face of the earth could so far have mistaken my meaning as to attribute to me arguments in favor of the bill, as directly opposite to those which I urged as darkness is to light.

You may judge, then, Mr. President, of my astonishment, when, in the very second paragraph of the speech of the Senator from Massachusetts, I read the following sentence:

"The Senator from Mississippi [Mr. WALKER] with his usual acknowledged a-

bility, and the distinguished Senator from Pennsylvania [Mr. BUCHANAN] following in his track, have advanced the propositions that the embarrassments and distress with which the country has been grievously afflicted for several years past, and which now paralyze all its energies, are imputable to the pernicious influence of bank paper, that this bill [the Independent Treasury bill] contains the necessary corrective, as it will check importations of foreign goods, suppress what they call the system, and by restoring a specie currency, reduce the wages of labor and the value of property.—This is the character given to the measure by its friends; and alarming as the doctrines are, I am gratified that they are frankly avowed."

Now, sir, I openly declare, in the face of the Senate and the world, not only that no such doctrines were ever avowed by me, but that these remarks of the Senator are palpable, I will not say intentional, misrepresentations both of the letter and spirit of my speech.

What! sir, to attribute to me the remark, that this bill, by applying the necessary corrective to the pernicious influence of bank paper "and by thus restoring a specie currency," will produce the disastrous consequences which he has enumerated; when a considerable portion of my argument was devoted to prove that the bill would produce no injurious effect whatever upon the sound and solvent banks of the country.—Nay, more, that it would exert but a very trifling influence, indeed, if any, even in restraining within safe limits their loans and issues. Now, sir, it may be a very ingenious; but it is certainly not very fair to put into the mouth of a friend of the bill, as arguments in its favor, the strongest objections. These would be so many admissions of its fatal consequences, and they would be the stronger when converted into arguments in its favor by one of its friends. Against the whole current of my remarks—against my express and reiterated declarations, both upon this and former occasions, that I was no friend to an exclusive hard money currency, but was in favor of well regulated State banks, how could the Senator be so far mistaken as to sit down and deliberately write that I had urged in favor of this bill, that it would restore a specie currency, and thereby reduce the wages of labor and the value of property? I leave it for him to answer the question according to his own sense of justice towards a brother Senator who had never done him harm.

But the Senator does not stop here.—Throughout his whole speech he imputes to me the use of such arguments in favor of the bill as I have stated, and dwells upon them at length—arguments which, if I had ever used, would prove conclusively that I was an enemy of the bill which I professed to advocate, and that scarcely even in disguise. This is the light in which he presents me before the world. Towards the conclusion of his speech he claps the climax. He says:

"To follow out the case I have supposed the income of every man, except the exporter, is to be reduced one-half in the value of wages and property, while all foreign merchandise will cost the same, which will obviously, in effect, double the price, as it will take twice the amount of labor, or twice the amount of the products of labor, to purchase it."

"I do not ascribe the power to the bill; but it is enough for me that its friends do. What response will the farmers, mechanics, manufacturers, and laborers make to such a flagitious proposition?"

All this the Senator says in a professed reply to me. He thus charges me with having ascribed to the Independent Treasury bill the power of reducing the income of every man in the country "one half in the value of wages and property." Had I contended in favor of any such power, well might the Senator have said it was "a flagitious proposition." He

would almost have been justified in the use of a term so harsh and unparliamentary.

Self-respect, as well as the respect which I owe to the Senate, restrains me from giving such a contradiction to this allegation as it deserves. It would surely not be deemed improper, however, in me, if I were to turn to the Senator, and apply the epithet which he himself has applied to the proposition he imputes to me, and were to declare that such an imputation was a "flagitious" misrepresentation of my remarks.

So far from imagining that the Independent Treasury bill would restore to the country a metallic currency, I believed that it would exercise but a slight influence in restraining the excesses of the banking system. Other and much more efficient remedies must be adopted by the several States to restrain these excesses and thus to prevent future suspensions. In my remarks I stated distinctly what legislation would, I thought, be required to accomplish this purpose. In the first place, I observed that the banks ought to be compelled to keep in their vaults a certain fair proportion of specie compared with their circulation and deposits; or, in other words, a certain proportion of immediate specie means, to meet their immediate responsibilities. 2d. That the foundation of a specie basis for our paper currency should be laid by prohibiting the circulation of bank notes, at the first, under the denomination of ten, and afterwards under that of twenty dollars. 3d.—That the amount of bank dividends should be limited. 4th. And above all, that, upon the occurrence of another suspension, the doors of the banks should be closed at once and their affairs placed in the hands of commissioners. A certainty that such a result would do more to prevent it than any other cause. To reform and not to destroy, was my avowed motto. I know that the existence of banks and the circulation of bank paper, are so identified with the habits of our people that they cannot be abolished, even if this were desirable.

Such a reform in the banking system as I have indicated, would benefit every class of society; but above all others, the man who makes his living by the sweat of his brow. The object at which I aimed by these reforms was not a pure metallic currency, but a currency of a mixed character; the paper portion of it always convertible into gold and silver, and subject to as little fluctuation in amount as the regular business of the country would admit. Of all reforms, this is what the mechanic and the laboring man ought most to desire. It would produce steady prices and steady employment, and, under its influence, the country would march steadily on its career of prosperity without suffering from the ruinous expansions and contractions and explosions which we have endured during the last twenty years. What is most essential to the prosperity of the mechanic and laboring man? Constant employment steady and fair wages, with uniform prices for the necessaries and comforts of life which he must purchase, and payment for his labor in a sound currency.

Let us in these particulars compare the present condition of the laboring man under the banking system which now exists, with what it would be under such reforms as I have indicated. And first, in regard to constant employment. What is the effect of the present system of bank expansions and contractions, and revulsions, in this particular? Is it not absolutely certain, has not experience demonstrated, that under such a system, constant employment is rendered impossible? It is true that, during the short period whilst the bubble is expanding and the banks are increasing their loans, and their issues, labor of every kind finds employment. Then buildings of all sorts are erected, manufactories are established, and the carpenter and the mason, and other mechanics are in demand. Public works are prosecuted and afford employment to an immense number of laborers. The tradesman of every description then finds custom-

ers, because the amount of paper in circulation produces a delusive appearance of prosperity and promotes a spirit of extravagance. But, sir, under this system, the storm is sure to succeed the sunshine; the explosion is certain to follow the expansion and when it comes—and we are now suffering under it—what is then the condition of the mechanic and the laboring man? Buildings of every kind cease, manufactories are closed; public works are suspended and the laboring classes are thrown out of employment altogether. It is enough to make one's heart bleed to reflect upon their sufferings, particularly in our large cities, during the past winter. In many instances the question with them has not been what amount of wages they could earn, but whether they could procure any employment which would save them and their families from starvation. If our State Legislatures, which alone possess the power, would but regulate our bloated credit system wisely, by restraining the banks within safe limits, our country would then be permitted to proceed with regular strides and the laboring man would suffer none of these evils because he would receive constant employment.

In the second place, what is the effect of the present system upon the wages of labor and upon the prices of the necessaries and comforts of life? It cannot be denied that that country is the most prosperous where labor commands the greatest reward; but this is not for one year merely—not for that short period of time when our bloated credit system is most expanded—but for a succession of years; for all time! Permanence in the rate of wages is indispensable to the prosperity of the laboring man—concomitant to the nature, to calculate upon being able to rear and educate his family by the sweat of his brow, and to make them respectable and useful citizens. In this respect, what is the condition of the laboring man under our present system? Whilst he suffers more under it than any other member of society, he derives from it the fewest advantages. It is a principle of political economy confirmed by experience, that whilst the paper currency is expanding the price of every thing else increases more rapidly than the wages of labor. They are the last to rise with the expansion; and the first to fall with the contraction of the currency.

The price of a day's or a month's labor of any kind—the price of a hat, of a pair of boots, of a pound of leather, of all articles of furniture, in short, of manual and mechanical labor generally, is fixed and known to the whole community. The purchaser complains when these fixed prices are enhanced, and the mechanic or laborer, in order to retain his customers, cannot, and does not raise his price until he is compelled to do it by absolute necessity. His meat, his flour, his potatoes, clothing for himself and family, mount up to an extravagant price long before his compensation is increased. It was formerly supposed that the productions of meat and flour were so vast in our extended and highly favored land; that a monopoly of them would be impossible. The experience of the last two or three years has proved the contrary: The banks, instead of giving credit in small sums to honest men, who would have used the money wisely, in promoting their own welfare, and, as a necessary consequence, that of the community, have loaned it to monopolists, to enable them to raise the price of the necessaries of life to the consumer. Have we not all learned that a million of dollars has been advanced by them to an individual, for the purpose of enabling him to monopolize the sale of all the beef consumed in our Eastern cities? Do we not all know that this effort proved successful during the last year in raising the price of this necessary of life to twelve and sixteen cents, and even higher, per pound.—Now, sir, although the wages of the laboring man were then nominally high, what was his condition? He could not afford to go into the market and purchase beef for