

gain the whole world and lose his own soul?

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IS THE OLD UNITED STATES BANK TO BE REVIVED?

A portion of an address delivered by Judge E. F. Dunne at the Jackson Day dinner in Chicago, January, 1902.

In 1832 the United States bank had a virtual monopoly of the banking industry of the United States. It was the depository of all government moneys, and the agent of the government in the payment of pensions. Its charter, obtained by the most crafty and adroit financiers of that time, gave the bank such privileges and advantages that no other bank, or combination of banks, could successfully compete with it.

When Gen. Jackson was renominated for the presidency, it had so entrenched itself by the brazen use of its money and the distribution of the favors peculiar to large moneyed monopolies that it had a safe working majority in both the senate and house of representatives. It owned or controlled the influential press, and the ablest and most powerful politicians of all parties. It could and did command the eloquence of Calhoun, Clay and Webster. Its directors and stockholders moved in and were leaders of society, and what is known as the "better classes" were all in favor of the recharter of the bank. To oppose the scheme of the bank was distinctly unfashionable. Its president, in contrast with the president of the United States, was popularly called "Emperor Nicholas," whom it was confidently predicted would rescue society from the reelection of "President Andy." In the summer of 1832 the bank, relying upon all the sinister influences under its control, called upon its tools in congress, mercenary and otherwise, and procured the passage in both houses of a law rechartering the bank on terms satisfactory to it. But there was an iron-willed, incorruptible, rude and unfashionable man in the presidential chair, named Andrew Jackson. This man did not believe in monopoly or special privileges, and had a Brutus-like conception of patriotism. He promptly vetoed the rechartering law, and on the issue joined by that veto between Jackson and the bank, he went to the country.

On the one side were the great moneyed interests, the powerful press, the leaders and a great majority of both houses of congress, and the great molders of public thought, Clay, Calhoun and Webster. On the other side

was the stern, inflexible, iron-willed Jackson, and the common people of America. The result was an overwhelming triumph for Jackson and the people, and the overthrow of the bank and its baleful influences in public life.

So complete was the triumph of the public conscience over official prostitution and corruption, that no man or set of men have since had the temerity to advocate the creation of a bank with a monopoly of public revenues, until the year 1901.

It is now seriously and forcibly advocated, and that, too, by men who have the power to coin words into deeds, and make theories actualities.

Nay, more, I see things occurring that convince me that the men in power who have the making of laws within their control, are actually taking steps, and taking them with precision and expedition, to create a great central bank, which, by law, shall have the monopoly of handling and controlling all the funds of the United States, which, in my judgment, will make it the most absolute and dangerous monopoly on earth.

Let me call your attention to a few things, upon which I base this assertion.

About two months ago the bankers of this country had a convention in Milwaukee. At that convention a railroad president, who had been inspired for the occasion, gently broached the suggestion for the first time since Jackson's triumph, that a great central banking monopoly was needed in America. These are the pregnant words in President Stickney's speech:

A banking system for a great nation like the United States requires a central bank with a head in the chief commercial city, with branches in each of the commercial centers, which shall constitute the head and the backbone of the system. This central bank should be the Bank of Banks and the Bank of the Government. The sub-treasuries should be abolished; the central Bank should hold the gold reserve of all the Banks and of the nation.

The only legislation required is the repeal of the sub-treasury laws and of the provisions of the present national bank law, which in any manner restrict the business of swapping credits, and which prevent banks from conducting the banking function in more than one locality.

This is a plain, succinct, unequivocal demand for the abolishment of the United States sub-treasuries, the creation of a great central bank; free of all governmental control, in which shall be placed, by law, all the cash and securities of the United States government.

The rights and privileges here demanded far exceed in importance and

magnitude those contained in the charter of the United States bank, vetoed by Jackson.

That institution was governed by a board of directors, five of whom were selected by the president of the United States, and in many other respects the old United States bank was subject to governmental supervision. Mr. Stickney's modest demand requires the deposit of all government funds in the proposed arch-monopoly, while it shall be utterly independent of governmental supervision or inspection.

This delightfully daring proposition was not made to a gathering of lunatics, anarchists, or wild-eyed theorists, but to a meeting of supposedly conservative bank presidents and captains of finance, and the proposition advanced by Mr. Stickney was received with strong demonstrations of approval. Present in the room at the reading of this daring and original paper were the then secretary of the treasury, Mr. Gage, and an ex-comptroller of the treasury, Mr. Eckels.

The first of these gentlemen holding, from a financial point of view, the most important office in the United States, unreservedly approved of Mr. Stickney's scheme, in the following language:

I was pleased to hear that cold, deliberate, ruthless statement of Mr. Stickney. He got at fundamental truths and fundamental principles, and he applied them with the skill and calmness, and the kind indifference of a surgeon amputating a limb.

How appropriate the simile. Mr. Stickney's proposition amounts to the amputation of the treasury from the United States government. Secretary Gage, continuing, then becomes humorous:

He spoke truthful words on behalf of the great multitude who represent industry, enterprise, commerce and trade.

Mind you, Mr. Stickney spoke not in behalf of the men who want to organize this great arch-monopoly and get hold of the United States treasury, but on behalf of the "great multitude," etc.

After this portion of Mr. Gage's speech, I looked for parentheses between which would be the words "uproarious and hilarious laughter," but could find none. Strange to say, this exquisitely humorous passage, worthy of Mark Twain in his prime, passed unnoticed among these financial magnates.

The secretary of the treasury thus flatly commends and approves Mr. Stickney's proposition and then humorously, no doubt, declares it is a proposition devised in the interests of "the multitude."

Mr. Eckels, now bank president, formerly comptroller of the treasury, also commends Mr. Stickney's proposal in the following language:

There is undoubtedly much of good in the suggestion of Mr. Stickney, that there ought to be some one institution through which the fiscal business of this government ought to be conducted. . . .

I believe in them (great banks) as I believe in great combinations of capital, being neither harmful to the people or detrimental to any of the political or personal rights of the people. . . . Even the United States bank with all its introduction of political methods, undertaking to control political interests; with all its great faults, was never as a fiscal institution harmful to any business interests of this country, or detrimental to the rights of any individual.

Mr. Eckels then proceeds to deliver a panegyric upon the defunct United States bank, which, when one remembers the financial scandals of the Cleveland administration, is not to be wondered at.

Not content with his endorsement of Mr. Stickney's scheme and his panegyric of the infamous United States bank, which debauched both houses of congress and several members of President Jackson's cabinet, for which it was put to death and buried by the American people sixty years ago, Mr. Eckels would improve upon Mr. Stickney's daring scheme, by tagging on to it what he calls his "asset currency scheme."

This scheme, as developed by Mr. Eckels is the most beautiful, unselfish, altruistic conceit ever devised by man. It is the simplest and most perfect scheme of banking ever originated by a banker—for the banker. As explained by Mr. Eckels, the scheme is as follows:

Banking should be allowed to go unhindered as a grocery business. Banking should be left to the control of those who own banks.

This is also the view of Messrs. Dreyer, Spaulding, Schneider, Meadowcraft, and several other eminent ex-bankers of this city. It is also the view of railroad presidents in relation to railroads, of street-car magnates in relation to street-car systems, and of pawnbrokers in relation to pawnbroking.

I would like much to see the legal tender issues of the government, not only imprisoned, but canceled and retired.

In other words he would like to have all government money abolished. In its place he would have the bank, or banks, "unhindered as a grocery business," given "a note issuing power which in and of itself does not depend upon the deposit with the government of any bonds

for the purpose of securing that circulation." Now the only security for the payment of such money, under Mr. Eckels' scheme, would be the property or assets of the bank. What those assets might be, or what they might be worth, no one could tell, because under Mr. Eckels' airy scheme of running a bank as one would "run a grocery business," without any restriction or right of inspection by the government, the public would have no legal right to examine these assets. They would be compelled to take the bankers' own statement in relation to the value of the assets of the bank, and we all know that bankers, like other people, have been, are, and will continue to be, both honest and dishonest. Now all government money being, under Mr. Eckels' delightful scheme, "canceled and retired," the only money left would be the "asset notes" of one great or many small banks, secured by no collateral, and being the liabilities of a bank or banks about whose assets the people would know nothing, except what the bankers saw fit to tell them.

Such money the people would have to take or go without money.

This scheme struck me as daring and original, but I have been told by my father that it is an old one rejuvenated, and that such money was current some fifty years ago, and that it was not called "asset currency," but "wild cat," "red dog," "stump tail" and other coarse names, and that the assets behind such currency were visionary and unstable, a delusion and a snare.

These statements and declarations of Messrs. Stickney and Gage and Eckels were all made before a convention of representative bankers, and were received with commendation and approval. This shows that the trend of thought among the bankers and financiers of the country, is in the direction of the establishment of a giant banking monopoly, the retirement of government currency, the abolition of sub-treasuries, and the placing of all government funds in the vaults of this giant corporation. More significant still, is the fact that since the holding of this bankers' convention, the secretary of the treasury, Gage, has resigned, and that it is publicly announced that he is to organize and preside over a great new bank, so great that it will be international in character, and that it has already been designated as the depository of the Chinese indemnity.

Contemporaneous with this announcement the new secretary of the treasury takes his portfolio after making public announcement that he is in accord with all the financial views of his predecessor, and that he will carry out the policy of Mr. Gage unaltered.

Most bankers are Republicans; the Republican party is in the saddle. It controls to-day the presidency, both houses of Congress, and Justice Brown controls the Supreme Court. Its secretary of the treasury, just resigned, wants a central bank monopoly; its present secretary of the treasury is in accord with his predecessor; the bankers of the country want a central bank monopoly; the organized wealth of the country wants a central bank monopoly; and a Republican Congress and Executive will soon crystallize their wishes into law.

If the United States bank of 1832 could corrupt and control both houses of Congress with a capital of only \$50,000,000, what will a new United States bank be able to do in 1902 with a thousand million capital? We need another Jackson.

Five acres of land around Charing Cross, London, are held by the marquis of Salisbury. These acres were obtained by his ancestors 250 years ago for grazing land at the modest rate of \$2.50 an acre for 500 years. What that little bargain has been worth to the Cecils it would be rather difficult to accurately compute.—Chicago Chronicle.

Mother—I am surprised, Ethel, that you should talk so impertinently to papa. I'm sure you never heard me talk that way to him.

Ethel—Well, you choosed him, and I didn't.—Detroit Free Press.

BOOK NOTICES.

DIVISION AND REUNION.

This book, by Dr. Woodrow Wilson, first published (Longmans, Green & Co.) in 1893, has passed through a number of revisions and reprints, the latest reprint being in March of the present year. It covers the period of United States history between the years 1829-1889. If a teacher of American history in a high school wishes to impress his class with the fact that there are other parts of history than wars, and feels the need of a hand-book for fuller treatment of political and economic subjects than can be found in the school text-books, then this is just the book for him to buy. He will find here clear and dispassionate accounts of the various tariff acts, of the United States bank and other currency legislation, of internal improvements, of party doctrines and campaigns, of the slavery problem, of secession and reconstruction. The author, a Southerner by