

FIRST FIGHT ON CENTRAL BANK

Andrew Jackson Bitterly
Opposed Institution and
Won Out—First U. S.
Bank Was a Success, How-
ever—Aldrich's Fight.

By Frederic J. Haskin.

Washington, Nov. 26.—The first great struggle between the congress and a president of the United States was upon the question of rechartering the second Bank of the United States; Henry Clay leading the forces of the bank and congress against Andrew Jackson, only to suffer complete and total defeat. Since the victory of Jackson and the destruction of the congressional leadership as it then existed, the American people have accustomed themselves to look to the white house for reforms, and to hold the white house responsible for errors in government. Under the constitution this might have become a purely parliamentary government, but the domination of Jackson forever changed the current of American politics and vested leadership and responsibility in the president.

Jackson's Great Power.

Andrew Jackson may not have been the greatest of the presidents, but his power and his policies were more enduring than those of any other American chief magistrate. Washington in impartial dignity, attempted to prevent partisan politics. He had not been out of office six months until the notions of the proper conduct of the government were flouted. His dictum against the third term and his warnings against entangling alliances with foreign nations have endured, but his system of domestic politics perished before he died. The bullet which killed Lincoln killed his policies, and his successor, Andrew Johnson, is even now by many held in contempt for the offense of having attempted to continue Lincoln's work along lines Lincoln so plainly marked out.

But Jackson's policies have not died. They are the essence of the rule and practice of American politics today. Senator Aldrich, proposing a central bank, admits that what he has to fight is not opposition to the bank on its merits, but the ghost of "Old Hickory." The doctrine declaring that "To the vic-

tors belong the spoils" is the accepted creed of every party, and the federal office holders today constitute the most powerful political machine in existence. Jackson not only designated his successor, Van Buren, but in his old age nominated and elected James K. Polk. James Parton, the admiring but not sympathetic biographer of Jackson, says of him: "Not only had he no such word as 'fail,' but no belief, not the slightest, that he could fail in anything seriously undertaken by him. And he never did."

First Bank of U. S.

The congress refused, in 1811, to recharter the First Bank of the United States, an institution of which Hamilton was the father. During the second war with England President Madison and his secretary of the treasury, George M. Dallas of Pennsylvania, attempted to secure a charter for a new bank. Congress refused during the war, but when peace was restored a bank was chartered and organized on a plan suggested by Dallas. Specie payments had been suspended in 1814, and the financial condition of the country was lamentable. The state banks had proved wholly incapable of sustaining the burden of business, and had even more signally failed to live up to the responsibility of financing the federal government. The bill chartering the second bank was signed by President Madison on April 10, 1816, and the bank opened for business in Philadelphia on January 17, 1817. Instead of addressing itself to the task of relieving the country of its burden of bankruptcy, the president and officers of the bank plunged into a carnival of speculation and "high finance" which would make modern Wall street blush for shame.

Government a Stockholder.

The charter was limited to 20 years, and would expire by limitation in 1836. The bank had a capital of \$35,000,000, one-fifth of which was to be subscribed by the United States. The four-fifths was to be taken by individuals or corporations, their subscriptions to be payable one-fourth in coin and three-fourths in the funded debt of the United States. This provision was designed to strengthen the credit of the government by creating a use for its certificates of debt, just as the present national banking system keeps up the price of government bonds far beyond their investment value. The bank was to be governed by 25 directors, five of whom were to be appointed by the president of the United States. The government funds were to be deposited in the bank, unless the secretary of the treasury should otherwise direct—a fearful proviso. The bank's notes were to be receivable in all payments to the United States. For this charter the bank paid the government a bonus of \$1,500,000.

Easy Road to Wealth.

William Jones was the first president. The stock of the bank was disposed of to favorites, and the requirements of coin payments were not adhered to. Prospective purchasers of stock were loaned money upon the security of the stock to be purchased, and from this loan they got money enough to buy the stock. It was not necessary to have a cent to deal in the bank stock or to acquire large holdings of it. The bank permitted a note to be paid by the note of the next purchaser. If the stock rose in value, as it did, a man sold his stock, for which he had paid nothing, at an advanced price, the

new buyer paid for it with a note, and the first purchaser paid his note with the new note and pocketed the difference in price. In addition to this sharp practice the bank was very liberal in its discounts to favored persons. The Baltimore branch was the worst offender, and it managed to lose \$2,000,000 in a few years. Congress investigated the bank in 1819 and found conditions so bad that a change was demanded. Langdon Cheves, who as speaker of the house, had cast the deciding vote which defeated the recharter of the first bank, was made president. He cleaned house and put the bank on a firm footing. Prosperity returned to the country, and when Nicholas Biddle became president of the bank in 1823 all opposition to it had disappeared and the bank was fulfilling all requirements of its charter save one. It evaded the intent of the law requiring it to furnish a staple and uniform currency by making its notes redeemable only at the branch bank which issued them. This required shipments of money from one part of the country to another, and permitted the bank to make large profits by the sale of its drafts. This was one of the principal arguments used by Jackson in his fight upon the institution.

Grew to Be Mighty.

Under Biddle's management the bank grew to great strength, and was honestly administered for the benefit of the whole country. At the beginning of Jackson's first administration in 1829 it was an institution of commanding importance. It had not been mentioned in the political campaigns of 1824 and 1828, and was generally accepted as a permanent settlement of the national financial question. It had a capital of \$35,000,000, the public money on deposit was about \$7,000,000, its private deposits about as much, its circulation over \$12,000,000, its discounts more than \$40,000,000 a year and its profits \$3,000,000 annually. It had 25 branch banks and a marble banking house at the head office in Philadelphia. Its notes were as good as gold all over the world, and it received and disbursed all the revenue of the nation. Considering the fact that the United States then had a total population of only 12,000,000 people, the bank was a mighty institution.

Jackson, in his first message to congress, called into question the constitutionality of the bank's charter, suggesting that the matter be considered by congress as the charter would expire within seven years. He suggested that the national bank ought to be organized on the basis of the credit of the nation, thereby making it a purely governmental bank and avoiding the constitutional question. But at that time Jackson had no idea of destroying the bank.

Jackson Destroys Bank.

Isaac Hill, a member of Jackson's "kitchen cabinet" attempted to get the scalp of Jeremiah Mason, the manager of the branch bank at Portsmouth, N. H. Biddle and the bank resisted, and thus placed themselves in opposition to Jackson. This incident has been made the basis of Jackson's resolve to destroy the institution, but there is reason to believe that it has been too much emphasized. Mr. Biddle and Mr. Clay despised Andrew Jackson. They looked upon Jackson as an uncouth man of the people, unfit to be president and even more unfit for decent society. They sneered and scoffed at him, they underestimated his power and, strange to say,

THE STRANGER WITHIN OUR GATES

D. A. Buell, Galveston, Texas: "I lost nearly all my property in the great Galveston disaster, and my wife and children were killed at that time, so I am now just stopping around anywhere, I shall probably locate in Oregon, although I am somewhat undecided as to location. I like this country first rate. I have been rambling for years trying to forget the terrible scenes that I witnessed during the flood, but it is impossible. Nothing can ever blot out the memory."

R. A. Baldwin, Ashland, Or.: "Although I am a newcomer in the Rogue River valley, I am more pleased with the country every day. I never believed half the stories that came from there in the form of advertising literature when I was in Chicago, but one of the most marvellous things I have seen more than the advertisements told of. It is wonderful, wonderful."

T. A. Rader, Crescent City, Cal.: "That gold strike in Alaska, according to the newspapers as such a big one, doesn't excite me any. There is plenty of sand in Humboldt county, California, that will run more than \$1.50 to the yard—the value of the Alaskan sands. It's funny, but an old kind of a strike will cause a stampede in an almost inaccessible country, but where we produce the goods every day a little strike like \$50 to the yard is barely noticed."

They even delighted in making him furious. It was Biddle's aristocratic contempt for Jackson, and Clay's over-estimate of his own strength, which destroyed the second bank of the United States, quite as much as it was Jackson's pique at being unable to dislodge Jeremiah Mason from his Portsmouth berth.

The best friends of the bank, both in and out of congress, advised against asking for a recharter until after the election of 1832. Jackson then had a majority of the house in name, but the senate was opposed to the administration and the bank could count on a sufficient number of Democrats in the house to win. It was feared that the next election might change the complexion of one or the other houses of congress. Biddle doubted the wisdom of bringing the issue before the people, as he felt he could depend upon the power of money to influence senators and representatives already elected. But Clay was imperious for once, and refused to compromise. He insisted that the bank bill must be introduced.

Votes Bank Bill.

The bill to extend the charter passed the senate by 28 to 20 and the house by 109 to 76. All Jackson's power and threats were unavailing, even in the Democratic house, to defeat the measure. But his anger had been aroused and he addressed himself to the work of exterminating the bank. He vetoed the bill.

The issue went to the country. Clay was the candidate for re-election, supported by the bank, the "money power," such leaders as Webster, Calhoun, John Quincy Adams, Hugh Lawson White and all the forces of conservatism and aristocracy. The campaign was bitter. The Jackson men worshiped their hero and would have no other. They swore they would reelect "Old Hickory" in spite of "Old Nick's Money" and "Clay's Rags," as the bank notes were called. Clay had not reckoned the strength of his opponent, and he was defeated. Jackson was given another lease of power and he swore, "By the Eternal," to destroy the Bank of the United States, root and branch, forever. Here opened his great battle with the senate.

Tomorrow—The American Congress. V. Jackson versus the Senate.

DEDICATE NATURAL HISTORY BUILDING

Urbana, Ill., Nov. 26.—Scientists, educators and citizens of wide note participated in exercises held at the University of Illinois today in connection with the dedication of the new physics laboratory and natural history building. President Pritchett of the Carnegie Foundation delivered the dedicatory address. The address of presentation was made by Governor Deneen, and that of acceptance by W. L. Abbott, president of the board of trustees. Other speakers included President Edmund J. James of the University of Illinois and Professor Arthur G. Webster of Clark university.

To Improve Lewis River.

(Special Dispatch to The Journal.) Woodland, Wash., Nov. 26.—The U. S. snagboat Mathioma, Captain Graham in charge, arrived in Lewis river yesterday, and as soon as the water gets low enough will proceed to do some work on the river from Woodland to the mouth. It is to be hoped that the government engineers will soon see their way clear toward doing something to make the river navigable to Woodland for the entire season, as at the present time during the low water of the summer months the Mascot does not come further than Pekin during that period. Pekin being three miles from Woodland.

Indiana Scientists Meet.

Indianapolis, Ind., Nov. 26.—The Indiana Academy of Science is celebrating the twenty-fifth anniversary of its founding with a largely attended meeting in this city. The Indiana Historical Society, the Indiana Engineering Society, the State Medical Society and the various associations of Indiana teachers are cooperating in the meeting, which had its formal opening today and will continue in session over tomorrow.

World Customs Conference.

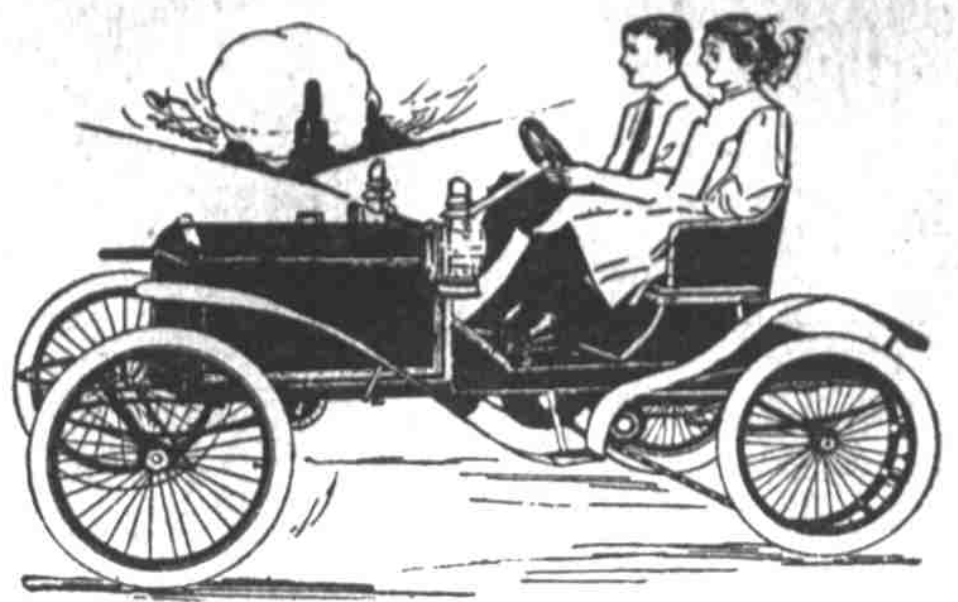
London, Nov. 26.—An international conference of customs experts assembled in London today and will continue in session for 10 days. During that time many questions relating to customs duties, especially as applied to the new American tariff act, will be discussed. The United States is represented at the meeting by Joseph L. Bley of San Francisco and Thomas F. Gregory of New York.

Football Game Saturday.

(Special Dispatch to The Journal.) The Dalles, Or., Nov. 26.—Local fans are looking forward with much anticipation to the football game next Saturday between The Dalles High school team and the eleven of the Columbia university. The Columbian team is mentioned as being a rapid team, and the local High has the best team this season that has ever represented the school, therefore a splendid game is expected.

Conference on Criminology.

Madison, Wis., Nov. 26.—A three days' conference on Wisconsin criminal law and criminology began today at the University of Wisconsin. Among those in attendance are numerous circuit judges, prosecuting attorneys, heads of penal institutions, as well as probation officers, lawyers, scientists and social workers.



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Sale Starts Tomorrow Morning at 8 o'clock and Ends at 10 p. m.

Men's \$3 and \$3.50 Union Made Shoes \$2.35

Men's \$5.00, \$5.50 and \$6.00 Union Made Shoes, Sat'day \$3.45

Just the style of shoe that will keep its shape and give better satisfaction than any other \$3.50 shoe on the market. This season's newest styles and shapes, blucher cut, in velvet, calf, box calf, gunmetal, vici and patent leathers. See the newest styles in toes—the Newport, Essex, College, Dart, Freak, Duke and Newark.

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These are exceptionally good winter shoes for boys. They're constructed with a view to giving the best possible wear. If the lad needs a genuine waterproof shoe, we strongly advise you to take advantage of this great opportunity tomorrow. Made in black chrome calf, very tough, soft, damp-proof and durable. Brass standard screwed, stitched edge, full double California oak soles, large Klondike eyelets, Essex last with cap bellows tongue. Made with the care and strength of our men's high-cuts. Sizes 3 to 5½. Regular \$3.00 values. Saturday only **\$1.65**

Here's your chance to get a pair of these shoes for only **\$3.95**. Our regular prices are \$5 to \$6; other dealers charge \$8 to \$10. Come in and we'll prove it. Leathers are black chrome, Robur tan, western oil grain, Napa tan, in blucher cut; very heavy full triple California oak sole, stitched edge, Goodyear welt, Sierra or Star last, cap toe, large Klondike eyelets, rawhide laces. Just the kind of shoes for surveyors, prospectors, miners and teamsters. Made especially to withstand hard wear and give long service; 12, 13 and 14 inches high, with or without buckles; sizes 6 to 11.



FRENCH MARQUIS ACCIDENTALLY SHOT

(United Press Leased Wire.) Oakland, Cal., Nov. 26.—A young man believed to be the Marquis Robert de Courcelles of Paris, a distinguished member of the faculty of the Pasteur Institute, lies critically injured at the Abbott sanatorium at Richmond, suffering from a bullet wound, said to have been fired accidentally from his own revolver. He was found at daylight yesterday lying on the grounds of the California Wine association at Winehaven. He was in a pitiable plight, weakened from loss of blood, burning with fever and unable to speak intelligently.

Suffering intense agony and bewildered by his strange surroundings, he made a last effort to summon assistance by discharging several shots from his revolver. Employees of the winery heard the shots and went to his assistance.

The Frenchman had been wounded when he stumbled and fell upon and discharged his revolver. The bullet entered the right breast, passed downward through the liver, and it is thought injured the right lung. From papers found in his pocket he is believed to be Marquis de Courcelles. Owing to his weakened condition it was impossible to question him after his arrival at the hospital.

Norway's Queen 40 Years Old.

Christiania, Nov. 26.—The fortieth birthday of Queen Maud, who was born in 1869, was celebrated throughout Norway today. The usual salutes were fired and there were brilliant displays of bunting in Christiania and other cities and towns throughout the kingdom.

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New Flesh-Colored Product That Heals and Hides Skin Imperfections.

A peculiar feature of psoriasis, a new skin discovery, is that it is naturally flesh-colored and contains no grease, so that when used on the face for the complexion, or for pimples, red noses, or any other inflammation, blemishes, or discolorations, its presence cannot be detected. It can thus be applied in the daytime, the natural color of the skin being immediately restored and the actual healing and curing process accomplished in a few days. It can be had of any pharmacist who sells pure drugs. The Skidmore Drug Company, and Woodard, Clarke & Co.'s drug stores make a specialty of it. Fifty cents' worth will answer either for the troubles mentioned or in curing ordinary cases of eczema. Itching stops at once.

Any one who will write to the Emergency Laboratories, No. 32 West Twenty-fifth street, New York, can secure, by mail free of charge, a supply sufficient to cure a small eczema surface or clear a complexion overnight and remove pimples in twenty-four hours.

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