

The Maryland Gazette.

VOL. LXXXV.

ANNAPOLIS, THURSDAY, FEBRUARY 25, 1830.

NO. 6.

PRINTED AND PUBLISHED BY

JONAS GREEN,

Church-Street, Annapolis.

PRICE—THREE DOLLARS PER ANNUM.

LEGISLATURE OF MARYLAND.

HOUSE OF DELEGATES.

Friday, February 5, 1830.

STATES BANK.

Sketch of Mr. Teackle's speech in the debate on the bill to establish the BANK OF THE STATE OF MARYLAND, on the third day of the discussion of the question, the House having resolved itself into a committee of the whole, and the motion of Mr. Speaker, (Thomas) to strike out the first section of the bill being under consideration.

Mr. TEACKLE rose and addressed the chair to the following effect. The proposition of the Hon. Speaker, is in substance, to strike from the bill, the following, to wit:

"WHEREAS a great number of the citizens of this State, by their petition in writing, have prayed for the establishment of a financial institution, to be founded upon the invested monies in the treasury, for the supply of revenue and the general convenience of the people.

AND WHEREAS, it is deemed to be expedient and beneficial to erect a Bank upon the public funds, for the purpose of accommodations upon special pledges, and extending loans upon the security of real estate—Therefore,

Sec. 1. Be it enacted by the General Assembly of Maryland, That there shall be established an institution to be styled the Bank of the State of Maryland"—Or in other words, to destroy the bill, and defeat the wishes of the people who have prayed for the establishment of a State Bank; and he proceeded to state, that from the extraordinary course which had been pursued by the opponents of the bill, his friends were compelled to argue the merits, before the committee had had an opportunity of hearing the amendments which might be suggested to its various provisions.

The honorable Speaker, said Mr. Teackle, and my two friends from Charles, have urged this course upon the ground of precedents, to test the question in its incipient step, but the gentlemen's views have been directed to the British Parliament, or to the Congress of the United States, where weeks or months are often consumed upon a resolution. But according to the practice of this assembly, I must contend that the pending motion is most unusual, and in no wise calculated to elicit a proper understanding of the subject. And besides we know that it is impossible to conduct a discussion of such a preliminary proposition, as we are scarcely seated, and prepared for business, before in fact we are made acquainted with the wants of our constituents, & the variety of matters to be introduced, when a message is sent "to bring the session to an early close," and to fix definitively a day for adjournment, the effect of which is to put hurry and confusion in the place of a dispassionate regard to the public welfare.

The honorable Speaker, in his argument of yesterday, supposed that a solid phalanx of five or sixty of this assembly had pre-arranged a design to cut the throat of this bill Hercules—this gigantic bank, or mammoth institution, as he was pleased to call it, but the gentleman spoke hypothetically, and I humbly trust that his murderous hypothesis will not be carried into execution, for if it should be consummated, it would be absolute treason by the laws of England, and subject to be merely confinement in the penitentiary, being what the lawyers denominate the crime of *mayhem*; it would only cut off the right arm of the sovereign power of the state of Maryland, in her principal source of revenue.

The Speaker's objection, for he made but one, is in point of fact, an argument in favour of the proposition; as being removed, and I trust that I shall be able to effect its removal, he is left defenceless and must surrender.

He objects that the state has granted charters to individuals for a valuable consideration, and consequently that her faith is pledged, and she is virtually precluded from the power to create another bank; even for the benefit of her treasury and the general relief and accommodation—and the gentleman referred to the act of 1813, in support of the "supposed pledge"—but admitting the validity of that supposition, which I am by no means prepared to admit; it is strictly limited to the city of Baltimore, and cannot by construction, or any legitimate implication, be made to extend to another section of the state. But, said Mr. Teackle, I hold in my hand a little book (holding up the volume containing the constitution) which nullifies and puts to rest the pretended pledge, even in relation to Baltimore, for I contend, with confidence, that the Legislature of 1813, had not the right to grant a monopoly to any community; but on the contrary they were prohibited in terms, and their declaration of rights, which wisely declares, that monopolies are odious, contrary to the spirit of a free government, and ought not to be suffered. Now, as the pledge to existing banks in the city of Baltimore,

not to grant a charter of incorporation to any other banking institution, to be established in the said city," would be in fact, a monopoly to that community, in direct repugnance to the first principle of the declaration of rights, and in the very teeth of the article referred to, it is *ipso facto* utterly void, and without effect, this exposition, however, is solely to illustrate the complete futility of this pretended hypochondriac of the public faith, as we do not propose to establish the Bank in Baltimore, unless the citizens, in the free expression of their wishes for an institution, which it is conceived would so essentially and so powerfully conduce to the promotion of their improvement and prosperity, together with the banks existing there, should pray for its erection in that city. And furthermore, said Mr. Teackle, it had escaped, perhaps, the recollection of the honourable Speaker, in his zeal to keep holy the faith of the state, that other banks had been established since the grant of the supposed pledge, and one of them too, in his own county, to wit: "The Frederick county bank," which was chartered in 1817, when three other banks existed there, and at the present time there are four banks in the same county. It would therefore seem that the opposition to the State's Bank comes indeed with an ill grace from the honourable Speaker, and it would be equally so from the other representatives of that county, or other sections or individuals which now enjoy such privileges, and Mr. Teackle remarked, that if he understood the honourable Speaker, he expressed a willingness to aid in the improvement of this high prerogative after the lapse of the present grants, which will expire in 1845, but has the honourable gentleman a lease for his life, or any assurance he will partake the legislation of those distant days; and does he not anticipate that attempts will be made to prolong the charters, long before their expiration; and that such attempts, as heretofore, might be successful? His own experience will justify this apprehension. So much, however, by way of preface to the main design. I will now proceed to present the memorial, and the principal documents in reference to the important measure which is prayed for by so large a number of our fellow-citizens—to decant upon their proper merits, and to refute the objections anticipated, by substantial facts, and such illustrations as shall seem appropriate and pertinent.

Mr. Teackle then held up to the view of the House one of the memorials, and exhibited the long train of names which were subscribed to it, which he averred to contain most of the intelligent, independent and wealthy inhabitants of Somerset county, without respect to any party, or particular interest; and he explained, at the same time, that the paper exhibited, was only one of a large mass of similar petitions which contained the signatures of a great number of citizens of different counties, recommending the establishment of a State Bank.

Mr. Teackle then read the memorial in a distinct and audible voice and enlarged with strong emphasis upon the assumptions, arguments and resistless conclusions which it contains in support of the means of general accommodation to the people, and revenue to the treasury of the State, which it proposes.

Mr. Teackle next proceeded to advert to the numerous arts which had been essayed by publications cunningly concocted to operate upon party feelings or private interests, and insidiously introduced at the critical moment; as well as the numerous stories which had been circulated at the commencement, and during the continuance of the debate, all of which, so far as they had come to his knowledge, he trusted that he should be competent to prove erroneous, and to place to their true account, intent and object, to wit: a design to prejudice the pending question, and to defeat the wishes of the people in the enactment of this proposition for their relief and the public benefit they had prayed for.

In the number of these essays and unfounded rumours, it has been industriously whispered and propagated, that the cashier of the bank of the state of Tennessee, had taken himself off, and had also taken with him the books of the bank; which, however, they said were restored afterwards—Now it happens, said Mr. T. that I fortunately hold the means of defeating this design—the truth is, the cashier referred to, had unworthily suffered his friends to overdraw, for which malfeasance he was turned out, but from letters received since this occurrence, and in relation to it, whose authenticity cannot be questioned; in fact, from several sources of the highest authority, I am warranted in saying, that the credit of the bank has been well maintained, and will always be, where security may have claims upon it—and this, from a distinguished statesman, who, it is understood, has been opposed to the principle.

Another statesman of high standing, says, "it has fully met the views of the legislature of Tennessee in the usefulness to the state, if not surpassed the sanguine expectations of its founders; and I am gratified in seeing that other states have made, and are making similar improvements with the State of Tennessee, and confident that they will eventually surpass the great privilege of individuals, for the purposes of banking and taxation of the people at large, for the especial benefit of a favored few. Another statesman, that "The Public Bank of Tennessee, was chartered in 1819, notwithstanding the opposition of numerous persons who were opposed to

ed in the local banks, and many other intelligent men—it commenced banking in 1820, and although the charter did not require that, yet it has been able not only to maintain its credit, but its success has been equal to the most sanguine expectations of its projectors, to the great benefit of individuals.—With respect to the principle, all must admit that it is an improvement would be immensely profitable.—Why, then, shall private persons be indulged with so vast a privilege to the common injury of the whole people? and why should it not be employed to avoid taxation, and to distribute the good of all? Who can deny the justice and expediency of such a course.

The Bank of the State of Tennessee, is owned by the state exclusively, and the resulting profits are entirely for the benefit of the public treasury. Its notes are emitted on the credit and security of the borrowers, and warranted by the state on the avails of its revenue, which has proved sufficient to sustain its credit and beneficial operations ever since its organization in 1820."

The foregoing information is subsequent to the occasion adverted to, and with respect to the misconduct of the cashier, in suffering his friends to overdraw—it only proves a wrong selection of an officer, & not that the institution is vicious in its principles. We have often heard of worse conduct on the part of the treasurers of several of the states, and that steam boats have exploded, but it does not follow that we should not have a treasurer, nor enjoy the advantage of navigation by steam power. And, continued Mr. Teackle, another story is, that "the State Bank of North Carolina has failed, and is winding up," and in the fertility of invention, and a natural propensity to amplify, it has been extended to the bank of the state of South Carolina, but as to the latter it is entirely untrue, as I shall show presently, said Mr. T. and with regard to North Carolina, the story is calculated to deceive the members of the legislature, as doubtless it is designed to do, and to grossly injure the public interest in immediate reference to this concernment—the state bank of N. Carolina, as it is improperly called, is not the property of that state; its title is, truly a gross *misnomer*, as, like the *misnamed* bank of the United States, it is chiefly a speculative institution, and has been conducted as a rumour says, by shavers and speculators for their own emolument to the great injury of the state at large; their nefarious dealings have been reported to the legislature; and a respectable print of the state of Virginia, says: "it will be seen by a perusal of this report that these banks (for the banks of Newbern and Cape Fear are included) have been literally nests of usurers and swindlers—that they went into operation with little, or no capital, in violation of their charters; and that they have had interest paid them to an amount nearly twelve times exceeding their actual means; that they have speculated in stock, and on cotton, and in other articles, and to cap the climax have purchased their paper at a discount—that in the course of their operations the people of N. Carolina have paid to them more than four millions of dollars, and remain indebted to them in the enormous sum of five millions more!"—that in effect, the free people of a large state are mortgaged and bound to a monied aristocracy, whose power and influence is so great that they can, at pleasure, control, or extinguish, the circulating medium, and depress or enhance the value of property as may most conduce to their own interest. Now, if this evil is to be endured, why may not the public treasury derive the benefits of its taxation, in the shape of discounts for the common good of the whole state?

So far continued Mr. Teackle, is the malfeasance of the managers of the bank of North Carolina from being susceptible of application, or from being used against this proposition, that it really presents the strongest argument in support of the expediency of assuming the right of revenue and general benefit, as contemplated in the present bill.

I will turn next, said Mr. Teackle, to the bank of the state of South Carolina, and in rebutting the scandalous aspersion attempted to be cast upon that invaluable institution, will claim the attention of this assembly to the special language of the committee which acted upon this subject—they say that in support of their arguments upon this concernment, the committee would offer, as a case in point, the State Bank of South Carolina, which is founded upon the principle in question, and which as they are advised, has been in successful operation since eighteen hundred and thirteen, and has fully realized, if not exceeded, the expectations of its projectors; and while the neighbouring corporations, under the agency of private interest, or controlled by avarice, or speculation, have spread around them a wide expanse of privileged domination, and pecuniary restrictions, with concomitant embarrassments, or irremediable ruin, the developments of this manifestation of the political sagacity of South Carolina, have conducted to the adoption of similar reformation in several of the states adjacent, and given assurance that the like improvement will speedily diffuse its benefits throughout the whole of that division of the nation, and eventually impart its genial influence to every member of a vast confederated empire

which proves, conclusively, the superiority of an institution conducted by public officers, who are paid for their services, and made strictly responsible, for the sole and exclusive use & benefit of the state, over a privileged incorporation which is managed by greedy directors, who are mainly governed by the principle of avarice, and whose chief desire is to obtain its means for monopoly and speculation.—And in the prosecution of their report, the committee say, with perfect justice to the subject, that in recurring to the State Bank of South Carolina, it is to be observed that the fiscal institution of that state was chartered in the year 1812, and commenced operations with but a little more than one hundred and fifty thousand dollars, in 1813; since which, from successive incidental additions or the excesses of profits beyond the regular dividends, its actual capital had been augmented, in 1825, to nearly eight hundred per centum, say one million one hundred and ninety-six thousand two hundred and twenty dollars.

And with the augmentation of its capital, it has, in the 13 years, (from 1813 to 1825,) realized and paid into the treasury the sum of one million one hundred and twenty-seven thousand one hundred and seventy-four dollars, besides retaining a large surplus to cover any possible deficiency.

In the report of the Comptroller General of the state of South Carolina to the Legislature, at their December session 1825, speaking of their fiscal institution, he says: "from the monthly exhibits made by the Bank, there appears a perfect ability on its part, to pay all its debts, and replace the capital originally derived from the treasury; it would therefore seem, that so far it has been a profitable institution to the state, and under the operation of a liberal policy and proper management, there can be little doubt of its continuing so in future."

In a subsequent report of the same Comptroller to the legislature of South Carolina, at their December session 1828, he says: "Of the public debt and its means of payment. The public debt has undergone no change since the last year, except that the bank has cancelled a part of the old three per cent stock which it had purchased, and which of consequence reduces its own capital to the same extent. The income of this institution for the current year, has been one hundred & thirteen thousand eight hundred and ninety-five dollars, and will enable it after defraying the interest accruing on the public debt for the ensuing year, to carry a handsome sum to the credit of the sinking fund."

The propriety of the original establishment of the Bank cannot now be considered as open for discussion, but if we take into consideration the present condition of our finances, their intimate connection with and reliance upon the Bank; together with, the heavy burthen imposed upon the latter, in relation to our public debt, there remains little doubt that to nourish and guard its interest is at present the peculiar province of the Legislature. More than ninety thousand dollars are necessary to meet the annual interest; for which the treasury is liable, and if, from any cause, the Bank should fail to pay it, a resort to increased taxes would be inevitable; so far, however, this institution has been able to meet the requisitions of the public creditors, at the same time to accumulate the existing sinking fund, and an opinion is here confidently expressed that with judicious management on the part of the direction and a fostering and paternal care, on the part of the Legislature, the bank will enable the treasury to discharge the public debts without increasing demands on the citizens.

This institution went into operation in September, eighteen hundred and thirteen, with a comparatively small capital, and from that time up to the present it has made, and paid on account of the treasury, the sum of one million three hundred and fifty thousand nine hundred and seventy seven dollars. This should be satisfactory, and certainly ought to operate as a check to any fanciful, and untried scheme of improvement."

And in further confirmation of the great value of this institution, I refer to a recent memoir from a statesman from South Carolina, who has been a member of the Legislature and a director of their state bank from the commencement in 1813, and who continued in it, at the last advices, some few days since, in this memoir the statesman says:—On the subject of your proposed bank, I will premise, that so far as my opinion is worth any thing, it is decidedly in favour of the principle contemplated in your bill. I was in favour of this principle before our bank of the state of South Carolina was created, and all experience of its practical operations since has gone to confirm me more strongly in that opinion.

Take it as it is conceded, that all banking is a speculation, still it must be equally conceded, that it is a speculation, when prudently and honestly conducted, of such a character, that the benefits resulting to the community very far transcend the evils of it; and in fact, without the aid of which no commercial people can get on prosperously.

This being admitted, it then appears very plain that, in order to lessen as much as possible, or rather to compensate for, the evils necessarily incident to it, we ought instead of transferring the sovereignty of the country, and granting a monopoly to a favored few, to sequester and retain the profits arising from it to the whole people. I think with you that

the principle is gaining upon the public favor; it is popular in this State, and I presume you are aware that a similar institution has been several years in operation in Alabama, and I believe successfully; since which it has been adopted in Georgia and other states.

The bank of the state of South Carolina commenced with a small capital, which for some years was progressive, and is now about 1,900,000 dollars; it has been in operation sixteen years, and its capital might be largely increased with advantage to the public—the paper of all our banks is sound, but that of the State Bank is very decidedly the favourite paper a fact; which may be readily accounted for, as every citizen feels an immediate interest in its success and prosperity.

I have been a director in our State Bank from its commencement; its losses have been inconsiderable, the net increase of the last year was 113,802 dollars, and its average of profits has exceeded ten per cent per annum, operating to repress the taxes of the state to that amount.

In continuation, Mr. Teackle said—the newspapers also, in their opposition to the expressed wishes of the people, for the improvement of this great source of accommodation and revenue, have presented as a case in point, the commonwealth's bank of Kentucky, which they say has beggared the State, & pronounce in proof of this assertion, that the debts still due to it amount to the sum of \$1,109,650. Now if this be a proof of beggary, by referring to an abstract in the report of the committee on this subject, he will find that a small part of Maryland is indebted to the banks of this State to more than eight times the amount due to the bank of Kentucky, so that if they be beggared by that case, we are more than eight times beggared, but a high light the bank of that commonwealth is not analogous to the plan contained in our proposition, as I shall endeavour to prove before I sit down. I have understood that its operation has been beneficial both to the treasury and to the people of that State."

Another writer in noticing this subject says: "That it is a popular measure I am well aware; and that a large revenue may be drawn from it, is obvious, but are the people at large to be gratified to the injury of those who have invested money under the sanction of existing laws; and is it not preferable to supply the treasury by a direct tax, on property, than to resort to indirect expedients?"

It has been urged that the State Bank of South Carolina, which is founded upon the principle proposed for this institution, has produced the happiest consequences, both to the treasury and to the people of that State, and that several others have assumed the sovereign right of public credit for the common good of their population; but is this conclusive that the like results would ensue from a similar erection in Maryland, or that we should follow their example?

In diffusing money throughout the counties the price of land would be increased in a high degree; but is it not better that land should be at a low rate, as a means of inducing men of money to invest their funds either by purchase, or in mortgages, and of preventing the divisions of good estates, which is the chief support for slave labour.

The foregoing are a few of many considerations which appertain to this subject, they are thrown out to excite inquiry and reflection, and although the measure to which they refer may be popular, it is believed that those who oppose it, will be upheld by the strong influence of the monied men."

Mr. Teackle mentioned, that with a view to elicit inquiry into the measure in contemplation, and to be prepared to answer objections, he had freely distributed the reports and documents in relation to it, and had sought information from proper sources, and collected facts to sustain his bill against the attacks of the interested or uninformed, and to illustrate its intrinsic merit, and the great advantages which would flow from the practical influence of its operations—and among many others he had corresponded with the enlightened President of the Union Bank of Maryland, who was esteemed, not only one of the most intelligent of our citizens in the general science of political economy, but who is supposed to be more particularly conversant in the abstruse doctrine of currency and money matters; and Mr. T. being about to disclose the substance of that correspondence, was called upon by one of the delegates from Baltimore city (Mr. Nicholas) to read the letter of that president, which gave his views upon the bill to establish the State Bank; whereupon the call was complied with by Mr. Teackle, and it appeared that the President's objections were—

1. That the institution might become a political engine, whose uses could be wielded to advance the views of whatever party might be in power, and that its administration might change hands with every change of parties.

2. That the institution might become a speculation, still it must be equally conceded, that it is a speculation, when prudently and honestly conducted, of such a character, that the benefits resulting to the community very far transcend the evils of it; and in fact, without the aid of which no commercial people can get on prosperously.

This being admitted, it then appears very plain that, in order to lessen as much as possible, or rather to compensate for, the evils necessarily incident to it, we ought instead of transferring the sovereignty of the country, and granting a monopoly to a favored few, to sequester and retain the profits arising from it to the whole people. I think with you that

Notes—It appears, in a late proceeding of the Legislature of Kentucky, that from a capital of about 500,000 dollars, in the bank of the commonwealth, in 9 years, the state has realized a profit exceeding 800,000 dollars, clear of all expenses, and that in consequence of a successful experiment in this profitable concern the proposition now is to assume the sovereign right of banking into the hands of the state for the support of government, internal improvement &c. the public instruction of youth throughout the state.

FOR RENT.
The HOUSE in Corn Hill Street, lately in the occupation of Mr. Richard Ridgely. For terms enquire of Mr. Richard Ridgely.
Dec 10

INSOLVENT NOTICE.
ORDERED by the Court, That the creditors of Benedict Johnson, a petitioner for the benefit of the insolvent laws of the State, do appear before the court at Leonard-Town, St. Mary's county, on the first Monday of March next, to file allegations, if any they have, and to recommend a permanent trustee for their benefit.
True copy. JO HARRIS Clerk of St. Mary's county court.
Dec. 10

CAUTION TO HUNTERS, &c.
ALL persons are forewarned Hunting, Gunning, or in any way trespassing, on the Farms, north side of Seven, now in the occupation of the subscriber, and formerly belonging to Dr. William Hammond, and the late Allen Warfield. The law will be strictly enforced on all who may offend.
RICHARD CRISP.
Dec. 17.

GEORGE SCHWARZ, BAKER.
RETURNS his sincere thanks to the public for the encouragement which he has experienced in their hands, and avails himself of this method to inform them that he has provided an ample supply of the very best materials to manufacture
Bread, Biscuits, Crackers and Cakes.
Unremitting attention shall be continued.

CAKES AND BISCUITS
Furnished to Shopkeepers and Country Dealers, Baltimore Prices.
Dec 24.

BOARDING & LODGING.
GIDEON PEARCE
BEGS leave to announce, that having recently acquired the large and commodious House, recently occupied by Mrs. Robinson, near the Protestant Episcopal Church, conveniently situated to the State House, he will be prepared to accommodate with Boarding and Lodging during the ensuing session of the legislature at least twenty gentlemen.
A few Yearly Boarders will also be taken.
Oct 8.

HOUSES AND LOTS
In Annapolis, for Sale or Rent.
ONE convenient dwelling near the Town Gate, in West Street; a House, Lot, Stable, &c. near the Bath, also several other Houses and Lots in town; and two Farms in the country. Apply to the subscriber, or Mr. Daniel Hart
J. J. SPEED.
Nov 26

The Steam Boat
MARYLAND
Commences her regular route on Tuesday next, leaving Baltimore at 7 o'clock for Annapolis, Cambridge and Easton; returning, leaving Easton at 7 o'clock for Cambridge, Annapolis and Baltimore. On Mondays leave Baltimore at 6 o'clock, returning, leave Cambridge at 6 o'clock the same day. On Sunday the 12th April, she will leave Baltimore at 1 o'clock for Annapolis only, returning, leave Annapolis at 1 past 2 o'clock, continuing this route throughout the season.
Passage to and from Annapolis. \$1.
March 26.

Boarding House.
(REMOVAL.)
THE SUBSCRIBER respectfully informs her Friends and the Public in general, that she has removed from the house lately occupied, near the Protestant Church, to the well known stand in FRANCIS STREET, formerly occupied by Capt. Thomas, and since by Mr. Joseph Daley and Mrs. Ann Gray, which is now undergoing repairs, and will be made a comfortable and agreeable place of residence for Members of the Legislature or others visiting the city.
Having a good STABLE, well supplied with Timothy Hay, good Oats, &c. together with a CARRIAGE HOUSE, and PUMP of good Water in the yard, gentlemen may rely on having their Horses well taken care of by a good Outler.
Her TABLE will always be supplied with the best the Markets afford—Care is made, and no exertions wanting to render general satisfaction to all who may favour her with their patronage.
Boarders will be taken by the Year, Week or Day, on moderate terms.
M. ROBINSON.
Annapolis, Oct. 15.

JUST PUBLISHED.
And for Sale at the Gazette Office, price 25 cents.
"A COUNTRY CLOWN, or DANDYISM IMPROVED." A Dramatic Medley, in one act.
Oct 29

PRINTING
NEATLY EXECUTED AT THE OFFICE.