

The Financial Crisis

The universal prevalence of a most serious monetary revulsion, which has involved chartered institutions of our own State, in a direct breach of faith towards the people invites remark from me, and challenges effective action on your part. I do not feel at liberty, to occupy your time and attention with an extended review of the causes which have led to such sudden and wide spread disaster as we have recently witnessed. They are, however distinctly to be seen, and comprehended by intelligent men, a condition of life, vitiated by the utmost extravagance has been apparent in almost every class of society; and this has been indulged under the fatal mistake, that the means and resources thus squandered, and taxed, were as substantial as they seemed to be inexhaustible. The same mistake has fostered a spirit of the most reckless speculation on the part of individual and corporations; speculation which has included almost every variety of property; created unreal values of stocks; and in its reckless experiments, frequently seized upon the necessities of life, auxiliary to all this, there cannot be a doubt, that our banking systems have proved ready and facile instrumentalities. To what extent the abuse of these institutions contributed to the universal inflation, and the general artificial condition of all monetary affairs, I am unprepared to say. It is morally certain, however, that an evil of this character could not have acquired such gigantic proportions, nor have entailed such terrible disaster, but through the agency of institutions, which have exceeded the bounds of propriety, in the creation of a fictitious and unground circulating medium.

I am not disposed to affect a crusade against banking institutions; yet I can but feel impatient of the wrongs they have inflicted upon society, and with so much cool indifference to the rights of the people.

Created by public favor, and nominally accountable to strict legislation, it is apparent that they pursue a policy, dictated in many instances by so much selfishness, as to betray a serious disregard of the true welfare of the community.

The restrictions under which they supposed to conduct their business are easily and readily invaded; and the public are at no time secure, against the consequences of an abuse of power, which can never be exerted, but, to the detriment of the common welfare. We have a humiliating illustration of this fact in the current state of the monetary institutions, generally, of our country, and from which, those of our own State claim no exemption.

The Banks of Maryland, are now in a state of "suspension"; in other words, they are unable to meet their obligations, and every note issued