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Funding the Bank War: Nicholas Biddle and the public relations campaign to recharter the second bank of the U.S., 1828–1832

Stephen W. Campbell

Department of History, California State Polytechnic University, Pomona, CA, USA

ABSTRACT

President Andrew Jackson's protracted conflict with Nicholas Biddle, known colloquially as the "Bank War," endures as a seminal chapter in the nation's political and economic history. This article analyzes Biddle's interactions with lawmakers, financiers, newspaper editors, and intellectuals during the Second Bank's campaign for recharter from early 1830 to mid-1832. It brings together research from numerous manuscript collections, bank balance sheets, newspapers, and legislative debates to show how Biddle orchestrated one of the earliest business lobbies and public relations campaigns conducted on a nationwide scale. Biddle developed a nationwide lobby primarily because of the Bank's branch structure and vast financial holdings, because he mobilized a large army of campaign surrogates, because he targeted voters with a standardized campaign message, and because recent advancements in transportation and communication enabled him to correspond with scores of subordinates separated by hundreds of miles of distance. Pursuing this analysis sheds light on one of the nation's most powerful businesses and contains valuable insights for scholars interested in the burgeoning history of capitalism.

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Introduction

Some time in November 1828, the two editors of the Washington-based *National Intelligencer* – Joseph Gales, Jr. and William Seaton – applied for a \$15,000 loan from the parent branch of the Second Bank of the United States (BUS) in Philadelphia. Gales and Seaton, who supported the BUS in their editorials, had also requested placement on the institution's board of directors. Senator Daniel Webster of Massachusetts advised the Bank's president, Nicholas Biddle, that funding sympathetic media outlets like the *Intelligencer* would be beneficial to the Bank's interests and that without the loan, Gales and Seaton's business might fail. In letters to Webster and fellow BUS director, John Potter, Biddle explained the Bank's rationale for rejecting both requests. Biddle wished to "keep the Bank straight & neutral in this conflict of parties," and since Gales and Seaton had already accumulated debts in excess of \$50,000 and lacked adequate security for

the loan, they would have a difficult time paying it back. Biddle made it clear that the Bank's relationship with the *Intelligencer* was cordial but had boundaries.¹

Keeping the Bank separate from politics was a standard line that Biddle repeated to many correspondents in 1828 and 1829, but by the early months of 1831, he had established a closer working relationship with Gales and Seaton.² In a letter to Gales on 2 March 1831, Biddle, responding to what he viewed as ignorant attacks from Jacksonian demagogues, called for "the free circulation of plain honest truths by means of the press." He asked Gales to send him the *Intelligencer's* list of subscribers along with their respective addresses "with the additions you propose to make for increased diffusion of your paper," and offered to "defray the expence, if necessary, of copying that list which, for greater convenience, should be divided into States." The more collaborative partnership was to ensure that the *Intelligencer* reached as many readers as possible. By June 1831, Biddle helped finance the production of 25,000 copies of *Intelligencer* "extras" for dissemination in Missouri and New Hampshire. The shift in Biddle's relationship with Gales and Seaton was part of a broader, nationwide public relations campaign designed to secure a new 20-year charter for the Bank.³

As a seminal moment with major consequences for the relationship between Congress and the presidency, the development of the Second Party System, and the trajectory of the nation's banking system and larger political economy, the Bank War has generated a vast and complicated scholarly literature among economists, historians, political scientists, and those who straddle these disciplines.⁴ Authors have typically approached this topic by examining its impact on electoral politics; its effect on the economic disruptions of the 1830s; its contribution to the evolution of central banking; its placement in the Atlantic world economy; and more recently, its role in the mutually reinforcing booms in land, cotton, and slavery.⁵ The controversies involving Biddle's financial interactions with members of the press and Congress appear frequently in the historiography and scholars today continue to debate this ever-important topic, concluding in the process whether Biddle deserves criticism for engaging in corruption.⁶ In one recent article, political scientist and historian James A. Morrison argued that Biddle bribed numerous allies.⁷

The full "Bank War" drama, as narrated through monographs and synthetic works, unfolds like an epic saga spanning from Jackson's election in 1828 to the Panic of 1837, replete with successive political confrontations and numerous economic dislocations. This article focuses primarily on one chapter of this larger story – the campaign for a new Bank charter that took place between early 1830 and mid-1832. The standard view of the recharter controversy holds that Senators Henry Clay and Daniel Webster, who hoped to weaken Andrew Jackson's popularity, prodded a reluctant Biddle into confronting the president by applying to Congress for a new charter, four years before the current charter was due to expire.⁸ Some scholars have argued that this conflict, which resulted in the Bank's eventual destruction, could have been avoided. Morrison incorporated international relations theory to formally test the missed opportunities for compromise, and similarly, Edwin J. Perkins held that Biddle could have acquiesced to most of Jackson's demands without significantly weakening the Bank.⁹

The evidence and analysis presented here challenge this interpretation. Close attention to Jackson's and Biddle's correspondence indicates that compromise was very unlikely. The two men rarely communicated directly, and Jackson, despite overtures from many of his more moderate cabinet members and advisers, was firmly and consistently

opposed to the type of national Bank envisioned by Biddle. In addition, members of the Bank's board of directors, as this article shows, were more influential in Biddle's strategic thinking than Clay and Webster.

This article uncovers Biddle's financial and political relationships with numerous law-makers, financiers, newspaper editors, intellectuals, and other actors to show what a public relations campaign looked like in the antebellum era. The insights presented here are influenced by the work of numerous scholars, including Eric Lomazoff and Richard John. Lomazoff, in his thoroughly researched article on the First Bank of the United States (1791–1811), asserted that the Bank's adoption of greater monetary oversight exemplified the process of *conversion*, a type of gradual institutional change.¹⁰ The establishment of branch offices, Lomazoff claimed, gave the First Bank a national character. This article also shares Richard John's contention that communications networks and governmental institutions exerted a powerful influence on party development and daily life in antebellum America.¹¹ In bringing together numerous manuscript collections, bank balance sheets, newspaper editorials, drafts of presidential addresses, minutes of BUS board meetings, correspondence and internal memoranda between bank officers, and records of legislative debates, this article explores the propagation of pro-BUS ideas over space and time. Pursuing this analysis sheds light on the inner workings of one of the nation's most powerful and maligned business enterprises and contains valuable insights for scholars interested in economic, media, and political history during the antebellum era, as well as those concerned with financial development, the corporation, and the emerging history of capitalism.

Assessing the size, scale, scope, and significance of Biddle's lobby requires some comparison to other campaigns and organizations. Because of the large volume of transactions it handled, as well as its administrative hierarchy, complexity, and ability to shape the lives of millions of ordinary Americans, the Second Bank shared much in common with the Post Office.¹² The two entities blurred the boundaries between public and private, in both their financing and operation. The BUS was a for-profit commercial bank and the Treasury Department's fiscal agent, while the Post Office distributed public funds to private conveyance companies for mail delivery. At its core, however, the Post Office was not a *business*. And although the BUS assumed public responsibilities, it tended to prioritize its private, shareholder interests.¹³ Moreover, the U.S. Constitution explicitly authorized Congress to establish post offices and post roads, meaning there was never any ambiguity to the Post Office's legality. In short, the Post Office did not need to launch a public relations campaign for its survival.

The earliest attempts at organizing political campaigns on an interregional basis over perceived economic injustices may have predated the country's founding. Various non-importation and non-consumption boycotts of the 1760s and 1770s come to mind.¹⁴ In the antebellum era, temperance advocates, abolitionists, sabbatarians objecting to Sunday mail delivery, and women's reformers arguing against Indian Removal all organized mass petition drives and lobbied Congress to varying degrees. These movements contained strong grassroots elements spearheaded by ordinary individuals, which, by definition, meant that they were not – and in many cases distinctly opposed – corporations like the Second Bank that tended to integrate elite networks and significant financial resources to project a positive self-image.

A more contemporaneous and structurally similar campaign occurred during the Sixteenth Congress (1819–1821), approximately 10 years prior to Biddle's lobby, when the

Pennsylvania Society for the Encouragement of Manufacturers and other like-minded voluntary societies launched an interregional petition drive for the passage of the Baldwin tariff bill. Pro-tariff associational societies at this time often contained complex, multilevel organizational structures with several hundred members; published a variety of media; collected signatures for petitions intended to sway members of Congress; dispatched agents into state legislatures; and held regular meetings.¹⁵ Despite its multistate apparatus, however, the pro-tariff lobby was mostly a northern phenomenon, whereas Biddle worked with agents on both sides of the Mason–Dixon line. Also missing from the tariff lobby was a key characteristic that defined Biddle’s lobby: a singular and hierarchical corporate body that directed operations from above.

The larger purpose of these comparisons is to show that Biddle did not invent many of the techniques he used, but it was the *scale* to which he implemented them that proved significant. For example, efforts to charter a national bank in 1791 and 1811, and businesses promoting canals, turnpikes, and banks at the state level, which preceded Biddle’s lobby by many years, were led by corporations, and disseminated by similar media. Here the key differences were the geographical extent and financial scale. The sums of cash employed by internal improvement companies to influence state legislatures paled in comparison to those of Biddle’s Bank. The First Bank operated at a time when most Americans lived close to the Atlantic seaboard and when American politics still contained powerful currents of deference to elites and distrust of the word “democracy.” Unlike earlier antecedents, lobbying campaigns by the Jacksonian era mobilized larger numbers of people in more far-reaching geographical locations. This was due to the rise of public education, advances in papermaking, reductions in the cost of producing newspapers, and key advancements in transportation and communication.¹⁶

The central argument of this article is that Biddle, in his effort to procure a new Bank charter, established one of the United States’s earliest business lobbies and public relations campaigns conducted on a nationwide scale. Articles, essays, pamphlets, philosophical treatises, stockholders’ reports, congressional debates, and petitions were among the diverse forms of media that functioned as vehicles in the transmission of pro-BUS ideas. Biddle’s campaign achieved a nationwide presence primarily because the Bank’s vast financial holdings allowed for the deployment of large sums of cash; because it mobilized an impressive array of branch officers, state bankers, voter counters, contacts, and confidential agents; because it standardized a uniform message while simultaneously targeting specific readers in specific geographic locations; and most interestingly, because advancements in transportation and communication, in combination with the peculiar institutional structure of the Bank in the form of branch offices, enabled one man to reach scores of correspondents separated by hundreds of miles of distance.

To succeed, Biddle had to persuade members of Congress who supported Jackson but remained uncommitted on the Bank question. In surreptitious fashion, the Bank president enlisted the services of, among others, Silas Burrows, Charles Jared Ingersoll, and newspaper editors like James Watson Webb and John Norvell. All of these men professed varying degrees of support for Jackson, which gave the campaign an important bipartisan element. Moreover, Biddle dispatched secret agents, equipped with several hundred dollars of Bank funds, to infiltrate the New York and Pennsylvania state legislatures with the intent of persuading undecided lawmakers and procuring pro-BUS resolutions. Although these expenditures validated the Jacksonian charge of bribery and corruption,

Biddle and his fellow directors justified them by invoking the Bank's business model, which relied on credit, reputation, and image. The degree to which a (mostly) private business went to broadcast such a positive public image was, up to that point, relatively unprecedented in American history.

From the beginning of Biddle's media campaign to Jackson's veto, the Bank spent somewhere between \$50,000 to \$100,000 in printing orders for circulating reports, treatises, editorials, and in small payments to confidential agents. The subscription lists for these orders typically ranged from 5000 to 25,000 copies. In addition, the institution lent somewhere between \$100,000 and \$150,000 to editors and congressmen during the same period. Large newspaper enterprises with nationwide subscription lists, including Webb's *New York Courier and Enquirer*, Duff Green's *United States Telegraph*, and Gales and Seaton's *Intelligencer*, were some of the most prominent recipients of these loans.

Even more important than the dollar amounts involved were the organizational features and geographical reach of Biddle's campaign. After strategizing with the Bank's wealthiest stockholders and directors, Biddle issued commands to his branch officers to draw up pro-BUS petitions and citizens' memorials for presentation in Congress. Branch officers, in turn, networked with the presidents and cashiers of state banks across the country and provided Biddle with local assessments of public opinion. From Philadelphia, Biddle oversaw the dispersal of large quantities of pro-BUS media to individuals located in Alabama, Missouri, New Hampshire, Kentucky, the Michigan Territory, and countless other locations. The Bank's national presence, according to Biddle and his allies, provided an essential public good, but it was this very national presence that provoked visceral hostility from Andrew Jackson and his loyal followers.

Early skirmishes

Biddle's campaign depended on complex institutional mechanisms and sophisticated theories of finance. A unique private–public entity chartered by Congress in 1816, the BUS had a paid-in capital stock of \$35 million – 80% of which it issued to private stockholders, with the remaining 20% of shares owned by the U.S. Treasury. At once a for-profit commercial bank, a repository for the nation's public money, and the country's sole fiscal agent, the BUS helped to collect and distribute federal money and serviced the national debt. The Bank's notes circulated widely from hand to hand and were payable for all public debts, including customs duties and land sales. At a time when most businesses were small partnerships operating with only a local or regional presence at best, the BUS employed a nationwide army of over 500 agents and over 200 directors through its network of 25 branch offices and numerous commercial agencies. Serving below the various presidents, directors, and cashiers of the branch offices were tellers, porters, discount clerks, note clerks, and servants. Flexibility and regulation were key to Biddle's leadership. From the bank's headquarters in Philadelphia, Biddle sent instructions to his branch offices about appropriate monetary policy with the intent of curbing excessive lending among the nation's state banks and smoothing out natural variations in prices and trade.¹⁷

Economic nationalists touted these characteristics as key to prosperity and stable commerce, but for strict constructionists and states' rights advocates, the Bank raised a multitude of serious moral, legal, and philosophical issues. Anti-BUS Jacksonians questioned the Bank's constitutionality, its ties to foreign creditors, its alleged favoritism to merchants and

speculators over farmers and artisans, and especially, its ability to wield its enormous financial resources to bribe newspaper editors and buy off members of Congress. Corrupting members of a free press and stealing elections, opponents held, made the Bank an insidious “monster.” Added to this was the Bank’s monopolistic financial relationship with the federal government. There could only be one national Bank according to its charter, and individual states could not tax its branches. The Bank paid a \$1.5 million bonus to the U.S. Treasury for the privilege of housing the nation’s public deposits – a relationship that, according to critics, enabled the Bank to oppress state banks and leverage public money for private gain. In addition, the Bank, as a multi-million dollar institution, concentrated large quantities of wealth in a few hands, which smacked of European aristocracy and violated the spirit of a nation founded on equal rights. Yet another source of bitterness was that the Bank had taken possession of several tracts of land worth tens of thousands of dollars in western locales like Kentucky and Ohio, mostly because of loan defaults and foreclosures left over from the Panic of 1819.¹⁸

Within his first few months in office, President Jackson began to act on these objections. He started formulating his own ideas for an alternative to the national Bank and solicited the help of his friends and political allies for feedback.¹⁹ The need for a substitute bank became all the more pressing when Jackson learned of alleged misdeeds at several of the Bank’s branch offices, including the accusation that the Bank had actively campaigned against him in the recent presidential election by supporting his opponent, John Quincy Adams. Anti-BUS Jacksonians charged that the Bank had loaned more readily to bank customers who supported Adams, appointed a disproportionate share of pro-Adams men to the Bank’s board of directors, and contributed Bank funds directly to the Adams campaign, particularly at the branches in Louisville, Lexington, Portsmouth, Boston, and New Orleans. Many of the charges were vague on details, unsubstantiated, and denied even by those who were loyal to the president, but Jackson continued to receive news of the Bank’s political interference and corruption throughout his first term, which only stiffened his resolve to fight the institution.²⁰

When Biddle met with Jackson to discuss plans to pay off the national debt, the president thanked Biddle for the plan, but told him in frank terms that he did not believe that Congress had the constitutional authority to charter a bank outside of the District of Columbia.²¹ Despite the advice of two of his cabinet members, Secretary of Treasury Samuel D. Ingham and Attorney General John Berrien, who counseled caution and delay on the Bank question, Jackson, as he would later write, “foresaw the powerful effect, produced by this monied aristocracy, upon the purity of elections, and of Legislation; that it was daily gaining strength ... by its corrupting influence ... which I viewed as the death blow to our liberty.”²²

Therefore, in his first annual presidential address, delivered to Congress on 7 December 1829, Jackson criticized the Bank publicly for the first time. “Both the constitutionality and the expediency of the law creating this Bank,” he said, “are well questioned by a large portion of our fellow citizens, and it must be admitted by all that it has failed in the great end of establishing a uniform currency.” In an earlier draft of this message, Secretary of War John Eaton had recommended that Jackson state that although the Bank’s charter was not due to expire until 1836, “An attempt, ere long, most probably will be made by those interested in the Stock of the U States Bank, to obtain a renewal of its Charter.” This language did not appear in the finalized version, but the core prediction regarding

the Bank's stockholders remained. Those who had not participated in the drafting of the president's message were surprised since Jackson had not really campaigned on the BUS while running for president in 1828. Jackson concluded by leaving it up to Congress to consider whether a purely public institution founded upon the credit and revenues of the nation – and yet keeping some of the regulatory provisions that Jackson deemed advantageous – would satisfy his objections.²³

Jackson's address convinced Biddle that a proactive media campaign was in order. One key assumption that Biddle maintained consistently for the next few years was that if he logically informed the public about the Bank's benefits to the community through reports and newspaper editorials, and at the same time demonstrated support for the Bank through legislative resolutions, then he would secure a recharter. He began working with Senator Samuel Smith, a pro-BUS Jacksonian from Maryland who chaired the body's Committee on Finance, which, prompted by Jackson's message, began looking into the Bank's currency. Biddle wrote a report explaining the strength of the Bank's currency and sent it to Smith on 25 January 1830. Smith relayed this report to the committee, but did not name Biddle as the author. The final committee report, delivered to the Senate on 29 March, concluded that the Bank provided "a currency as safe as silver; more convenient, and more valuable than silver, which ... is eagerly sought in exchange for silver." To illustrate, the committee explained how in no other country in the world could a merchant deposit silver in a BUS branch office in New Orleans, and then travel 1000–1500 miles to a city in the Northeast and receive an equivalent amount of silver for, at most, a 1/4% charge, which was significantly less than the cost, risk, and time it would take to ship silver between the two cities. This was "a state of currency approaching as near perfection as could be desired."²⁴ A few weeks after the publication of Smith's report, on 22 April, Biddle optimistically informed Smith that the report "has done a vast deal of good" in influencing other members of Congress and that "some thousands will be circulated."²⁵

In Congress's other chamber, meanwhile, Representative George McDuffie of South Carolina, chairman of the House Committee of Ways and Means, delivered a similar report on 13 April. Addressing Jackson's criticisms head-on, McDuffie's report proceeded much in the way that Smith's had done, pointing out the superiority of the Bank's circulating medium compared to precious metals. Citing price currents and interregional exchange rates during the War of 1812, McDuffie posited that the absence of a national Bank had been disastrous for the nation's fiscal operations.²⁶ A finer point in McDuffie's report praised the uniquely modern financial operations of the Bank's branch system, particularly in relation to geographical space. That the Bank was required to transfer public money between any two parts of the nation at no cost was impressive, given the nation's immense territorial reach. One passage from McDuffie's report extolled the virtues of the Bank's innovative financial structure: "The power of annihilating space, of transporting money or any other article to the most distant points, without the loss of time or the application of labor, belongs to no human institution."²⁷

The release of McDuffie's report provoked a strident rebuke from Jackson, who presumed that it was a "joint effort" between the Bank and Congress, marking "the first shot" in what would turn out to be a long struggle. He encouraged James A. Hamilton to compose a strongly worded response, which appeared in the *United States Telegraph* as a series of anonymous editorials.²⁸ Meanwhile, Biddle worked to persuade other

members of the Bank's board that McDuffie's report should be copied and distributed widely with Bank funds. In August, the board approved funds for the dispersal of 20,000 copies of McDuffie's report and gave Biddle verbal permission "for widely disseminating their contents through the United States." Three months later, Biddle submitted an article on banking and currency to the board. Written by former Treasury Secretary Albert Gallatin and published in the *American Quarterly Review* of Philadelphia, it contained a "favorable notice" of the Bank. Biddle suggested that it would be expedient to make "the views of the author more extensively known to the public," and that the Bank possessed the means to help the article find a larger audience, beyond the number of people who would normally read the *Review*. The board agreed, giving Biddle wide latitude to "take such measures in regard to the circulation of... the said article ... as he may deem most for the interest of the Bank."²⁹

If there had been any ambiguity in how tenaciously Jackson and his followers would prosecute the Bank War, this was removed by the end of the year. In his second annual message, Jackson again called on Congress to address the concerns over constitutionality and the threat to liberty.³⁰ Right as Jackson was delivering this message, a new administration newspaper with a more explicitly anti-BUS message was coming onto the scene. This was the *Washington Globe*, edited by Francis P. Blair.³¹ For a number of reasons Jackson had grown dissatisfied with Duff Green, editor of the *Telegraph*, the previous party organ, especially because of Green's rather tepid defense of Jackson's bank views. He denigrated Green, in mid-1830, as a puppet of "his idol," Vice President John C. Calhoun, and would later write, "Duff Green has violated his pledge on [the Bank question], & is neutralised."³² Jackson took an active role in finding subscribers for the new paper, enclosing the initial *Globe* prospectus along with his second annual message to political allies, friends, and relatives – urging them to patronize the paper. Beyond Jackson himself, the *Globe* appropriated public printing contracts and a well-financed patronage system from the executive branch and Congress worth several thousands of dollars per year. After only a few months of coming on line, the *Globe* had attained an impressive circulation.³³

The *Globe* debut, coinciding with Jackson's second annual message, eliminated the possibility that the administration was being flippant in its attack on the Bank, and unsurprisingly, Biddle added new elements to his media campaign. He contacted George Tucker, a professor of political economy at the University of Virginia. Tucker wrote back in January 1831, after having received "two friendly letters" from the Bank president, and was "much gratified" to hear that his ruminations on money and currency "proved satisfactory." He then asked Biddle to forward him a copy of the *North American Review*, noted that he agreed "in the main drift" with McDuffie's report, and after a week or so would "endeavor to propose an article" on banking. Several months later Tucker wrote to Biddle, "The offer that you politely make to have copies of the reprinted article sent to any of my friends is accepted principally because it may possibly be of service." The Virginia professor then told Biddle that he had drawn up a long list "for the purpose of inducing influential individuals to give their attention to the subject, that public opinion may manifest itself in every part of the Union." Tucker concluded by asking if Biddle could send him copies of "Mr. Gallatin's able article." The composition of the list of "influential individuals" and Tucker's use of the phrase, "in every part of the Union," suggests that the two men were attempting to promulgate a standardized, nationwide message.³⁴

The Bank president also turned his attention to the state legislatures of New York and Pennsylvania, two of the most populous and politically important states in the union. Both legislatures were nominally Jacksonian, but there were significant pro-BUS elements and many who were uncommitted on the Bank question. Biddle hoped that the passage of pro-BUS resolutions in these bodies would serve as an indicator of public opinion, a barometer that Jackson dare not cross lest he threaten his chances for reelection by losing these states in the electoral college. Of the two states, New York would certainly be the more difficult challenge as it contained some of the most vociferous anti-BUS critics. Biddle relied on numerous contacts, including Gallatin, to exchange editorial comments, distribute pamphlets, and report on the latest movements in Albany.³⁵ To move the legislature, Biddle turned to Silas Enoch Burrows, an erratic and elusive merchant from New York City. While serving as the Bank's confidential agent in Albany, Burrows went well beyond Biddle's instructions. According to John I. Mumford, editor of *The New York Standard and Statesman*, Burrows spoke for the Bank in offering a \$500 bribe to the editor with the implicit understanding that the *Statesman* would cease its attacks on the BUS. Mumford then exposed Burrows's scheme publicly. On 11 April, the New York state legislature passed resolutions opposing the renewal of the Bank's charter.³⁶

In the more favorable confines of the Pennsylvania state legislature, Biddle had at least two proxies. One was Charles Jared Ingersoll, a former district attorney from Philadelphia who was then serving in Pennsylvania's lower chamber. Biddle helped Ingersoll in drafting the language of resolutions that upheld the Bank's utility and constitutionality.³⁷ The other proxy was John Norvell, a newspaper editor who, like Ingersoll, was a pro-BUS Jacksonian. Norvell, under Biddle's instructions, went to Harrisburg to act as a confidential agent. In a private letter, Biddle asked Norvell to obtain "a list of names" with their locations, presumably to send pro-BUS material to members of the legislature who had yet to declare a position on the Bank. The editor wrote that he was "very hospitable" to a number of legislators, inviting them to dine at his place, "lending five, ten, and twenty dollars to them," which he never expected to get back. He told Biddle, "your hundred dollars are pretty well exhausted." Norvell worried that Biddle's plans "would excite a suspicion of my motives" that could not be quelled easily and closed with a stern plea and admonition: "For Heaven's Sake, throw this letter into the fire as soon as you have read it. It contains some things not to be disclosed to the world."³⁸

Historians have either missed or understated Norvell's presence in Biddle's campaign. His name did not appear in Morrison's article and Thomas Payne Govan's detailed apologia mentioned Norvell only in passing, ignoring the opportunity to link him to the Jacksonian charges of bribery and corruption. This bribery scheme did not involve large sums of cash and it carried significant risks since anti-BUS Jacksonians were already deeply suspicious about the corruptive powers of the Bank. But in March 1831, with Jackson still having yet to declare his unequivocal desire for the Bank's destruction in a public setting, many of his followers were still up for grabs. It is unclear whether Biddle's moves alone shifted any votes, but the Pennsylvania state legislature eventually passed Ingersoll's resolutions.³⁹

A few months later, Norvell reconnected with Biddle after having recently moved to Detroit, in the Michigan Territory, where he took a job as a postmaster. Moving further away from Biddle had done little to dampen Norvell's spirited defense of the Bank. In fact, Norvell saw it as an advantage: "I shall have it in my power to render services to

the [BUS] ... with less risk of suspicions, than if I [was] in Pennsylvania, I feel no hesitation in asking you for an advance of 400–500 dollars,” which he planned to refund to Biddle at a later date. Norvell offered to travel to New York, Ohio, or any other state not too remote from Michigan, “in order to ascertain public or legislative sentiment” so that he could help the Bank. He was essentially offering to be a paid, itinerant intelligence gatherer for the Bank, much in the way he had done for Biddle in Harrisburg. But this was not all. He saw friendly newspaper coverage in Michigan as crucial to the Bank’s success. “One of our newspapers here,” he wrote, “controuled by one or two of the government offices, has commenced an attack upon the bank.” But Norvell expressed “no doubt” in being able to take charge of this paper “to change its course towards the bank.” He later went on to edit the *Democratic Free Press* – symbolizing the ability of pro-BUS sentiment to reach the furthest reaches of settlement – and became a U.S. senator when Michigan entered the union in 1837.⁴⁰

Not stated explicitly in this letter, but important nonetheless for historians to grasp, were the transportation improvements and expansion of the Post Office that enabled Norvell and Biddle to communicate with one another over such long distances. It was not just that Norvell was an editor and postmaster who eagerly offered to travel through several states as a paid agent in service of the Bank. The celebrated completion of the Erie Canal in 1825 had recently inaugurated a canal boom that spurred steam travel, reduced shipping costs, stimulated economic growth, and more easily integrated previously disconnected regions of the country into a national market. Americans built 2000 miles worth of canals in the 1830s and approximately 5000 new post offices in roughly the same period, an increase of nearly 70%.⁴¹ Commenting on this spectacular growth in April 1839, Amos Kendall, then serving as postmaster-general, observed proudly, “there is scarcely a settlement of half a dozen families in the distant wilderness which has not a mail carrier to it on horseback.”⁴² Advancements in transportation and communication enabled Biddle to reach a national audience in a timely manner, which distinguished his lobby from political campaigns in the early republic. The growth of newspapers and internal improvements was mutually reinforcing: better roads and canals facilitated westward expansion and created a national market for newspapers, whose advertisers and boosters, in turn, stimulated more demand for internal improvements.⁴³ Fueling all of these developments was government policy that sought to ensure the common good. State governments funded public schools that reduced illiteracy and capitalized canal and road projects, absorbing the risks and jumpstarting construction that might have otherwise taken longer with only private investment. In an expression of the Founding Fathers’ deep commitment to an educated citizenry, the Post Office Act of 1792, moreover, subsidized the circulation of newspapers through the mail below cost.⁴⁴ Added to this were franking privileges enjoyed by members of Congress and the ability of editors to exchange newspapers through the mail for free. Deliberate government policy thus elevated the U.S. as a world leader in communications and established the preconditions for mass political campaigning, including Biddle’s recharter effort.

To be clear, public money was not the only source of capital propping up newspaper establishments, which still relied on banks. Financial marriages between banks and newspapers could benefit both: struggling editors, whom one historian characterized as intellectual artisans hailing from the mid to lower rungs of the social ladder, received a helping hand, while banks acquired a medium to improve their image.⁴⁵ Antebellum Americans

often read newspapers without paying for them, and stories abound of editors who had to threaten lawsuit or pursue other means to get their subscribers to pay on time or pay at all. The newspaper business entailed low profit margins, and business failures were common.⁴⁶ Editors might find funding from public sources since state legislatures paid printers a few hundred dollars per session to print legislative debates for public record. At the federal level, the state, treasury, and Post Office departments paid editors to print official documents, and the Post Office often hired editors to deliver the mail. But even if they were fortunate enough to secure this patronage, editors still needed subscription and advertising revenue, which were unpredictable. Banks were, thus, integral to keeping editors afloat.⁴⁷

It is not surprising, therefore, that the centerpiece of Biddle's campaign, which began to crystalize in the early months of 1831, was the financial assistance he provided to newspaper editors for circulating Bank reports, internal documents, letters, balance sheets, and editorials. Duff Green of the *Telegraph*, James Watson Webb of the *Courier and Enquirer*, and Thomas Ritchie of the *Richmond Enquirer* were high-profile editors who received substantial loans from the Bank, but there were also smaller newspaper enterprises that worked with Biddle, including the *United States Gazette*, the *National Gazette*, and the *National Journal*.⁴⁸ Biddle's preferred medium was the *Intelligencer*, edited by Gales and Seaton. Throughout the 1820s, the *Intelligencer* regularly published excerpts from the Bank's committee meetings. When Jackson started attacking the Bank, the *Intelligencer* began to publish more pro-BUS opinion pieces. The Bank president started giving consistent printing orders to Gales and Seaton and began financing *Intelligencer* "extras" in February, in part, because Jacksonian newspapers were circulating copies of a major anti-BUS speech delivered by Senator Thomas Hart Benton of Missouri. According to their arrangement, Gales received payment with drafts drawn on the local BUS branch in Washington, and the rate he charged Biddle was five dollars for every extra 100 copies produced and distributed. In one instance, this temporarily doubled the *Intelligencer's* ordinary circulation of 5000–10,000. While discussing remuneration with Gales in March, Biddle wrote, "if there is any mistake on your part and you are overpaid, it will answer for the next occasion, which may perhaps be shortly, of getting your aid to circulate other papers in regard to the Bank." Biddle had now established a consistent financial relationship with the *Intelligencer*.⁴⁹

The *Intelligencer* attained a subscription list of 7440 and employed 165 workers at its peak in 1834, which was due in no small part to Biddle's help. To reach a mass audience, Gales and Seaton used the latest technology, including a cutting-edge Napier press. Invented by an English manufacturer in 1824, this two-cylinder press could print 2000 sheets per hour, which was about six to eight times the rate of what a handpress could churn out.⁵⁰ The greater production output of the Napier press combined with advances in papermaking to reduce the cost of consuming newspapers, which attracted more readers and contributed to a burgeoning civil society. All of this made Biddle's campaign quantitatively different from political lobbies of the early republic.⁵¹

The campaign intensifies

To make sure that pro-BUS media reached the right places, Biddle relied heavily on his branch officers. An unnamed officer at the Richmond branch BUS composed a private

missive to Biddle on 17 March that began, "I received lately ... a private circular, requesting to be furnished with a list of names of the persons in this quarter to whom information may be sent." The officer cautioned that the question of the Bank's renewal in his congressional district had become politicized, partly because of rivaling state banks, and partly because of unscrupulous politicians. Lamenting that "the population of this congressional district (except that of the city of Richmond) is the most ignorant and perverse of any in the State," the officer predicted that sending pro-BUS material to the area "can do no good, but – may, probably would do harm." If Biddle sent pro-BUS literature to Richmond and its surrounding areas, the officer predicted, then "certain demagogues in the district" would "indulge in the most shameless misrepresentations, and invectives against the Bank." The "usual slang" about the Bank bribing the press "would not be forgotten."⁵²

Although the bank officer ultimately advised against sending material to the Richmond office, he left open the possibility that if Biddle wished to have articles published for circulation, "some of them may be sent here for distribution."⁵³ Branch offices, then, served multiple functions: on one level, they were like post offices and other public spaces where media could be delivered and read. With 25 branches under his command, Biddle had 25 proxies staffed with scores of subordinates who could carry out orders issued from Philadelphia. But information also flowed in the other direction. Branch offices evolved into locations of strategic importance, supplying Biddle with critical intelligence about where to best send pro-BUS media. Originally designed to provide credit to cash-starved regions, branches became places where Biddle could periodically assess public opinion.

The letter from the Richmond office captured one of Biddle's overriding fears: that anti-BUS Jacksonians were manipulating public opinion with gross exaggerations and demagogic rhetoric. Subsidies to the press, according to this thinking, were entirely justified to counteract Jacksonian falsehoods and to properly inform the public about the Bank's operations.⁵⁴ Shaping public opinion was not just good politics. It was connected with the Bank's business model and, on some level, its very existence. An internal report circulated among the Bank's directors and stockholders, published in December 1833 but describing events that took place between 1829 and 1832, is revealing. "The Bank of the United States," the report noted, "derives much of its advantages from its credit, and its general reputation for solvency." Therefore, the authors of the report continued, the Bank had the right to defend itself against "those who circulate false statements."⁵⁵ Jacksonians were already on record trying to induce bank runs at BUS branch offices by manufacturing rumors of insolvency. In an era in which customers' bank deposits were not protected by insurance, psychological and political factors alone could lead to devastation. A damaging headline in a partisan newspaper might, under the right circumstances, trigger a bank run where customers withdrew their deposits en masse, which, if unchecked, could quickly spiral out of control into a larger financial panic. Implicitly, the report demonstrated how the objective, raw numbers of finance and accounting were inextricably linked with intangible factors such as reputation and confidence.⁵⁶

On 1 September 1831, the Bank's stockholders convened a meeting in Philadelphia to comment on the financial condition and future of the institution. The Bank's most senior managers, directors, and stockholders presided. Biddle submitted a report to the stockholders detailing the Bank's assets and liabilities. The Bank paid for its printing and dispersal. One section stated, "[The Bank's] circulation is in all respects equal, and in most

respects superior, in value, to any metallic currency of the same amount" and went on to say that never had there been any paper currency, spread out over such an extensive country, that was comparable to the Bank's bills and notes in its security, convertibility, and uniformity of value. This was strikingly similar in tone and language to the Smith and McDuffie reports. One likely explanation is that Biddle had authored all three reports.⁵⁷

More importantly, a meeting of this nature, as spelled out in the Bank's charter, only occurred every three years. This meant that the next meeting would not convene until September 1834, and if one assumed that procuring a bill to recharter the Bank, and then passing it through Congress, would take several months, then waiting until the next triennial meeting to authorize an application to recharter would fall perilously close to the Bank's expiration in March 1836. Most businessmen dread uncertainty, and for an institution as economically influential as the BUS, it was not unreasonable to wonder if the Bank, once discontinued, might have to wind up its affairs and call in all of its obligations with potentially disruptive consequences. Put another way, if the Bank wanted to apply without unsettling risks, it needed to apply now. The power that the stockholders invested in the Bank's president and directors was broad and elastic: "if at any time before the next triennial meeting ... it shall be deemed expedient by the president and directors to apply ... for a renewal of the charter ... they are hereby authorised to make such application."⁵⁸ The Jacksonians' suspicion that the Bank's stockholders would initiate an early application for recharter, which the president outlined in his first message to Congress, proved accurate.

Having received the go-ahead from the board, Biddle then needed to find the right time to submit his application for recharter to Congress, which involved delicate political considerations and a range of options. If Congress passed a bill to recharter and Jackson vetoed it, there was some hope that pro-BUS forces could secure a two-thirds majority to override the president. This was only a remote possibility. Party discipline was already a key attribute among Jacksonian politicians, and enough congressmen would rally to the president's aid under almost any circumstance. Perhaps, then, Biddle could reach an agreement with Jackson over a significantly modified bill to recharter with the likes of Treasury Secretary Louis McLane, William Berkeley Lewis, and Secretary of State Edward Livingston acting as intermediaries. McLane had authored a report praising the Bank's functions and recommending recharter "at the proper time," while the president had refrained from criticizing the Bank in his third annual message, feeding rumors that Jackson might be softening his stance.⁵⁹ The most intimate of Jackson's correspondents knew otherwise. As a somewhat irritated Jackson wrote to John Randolph, "You have done me no more than justice when you repelled with indignation that I had changed my views of the Bank of the United States." The president declared emphatically, "I have uniformly on all proper occasions held the same language in regard to that institution."⁶⁰ The unfortunate reality for Biddle was that he almost never corresponded with Jackson directly and the intermediaries he used may have overestimated their ability to persuade the president. When viewed in combination with Jackson's call for a substitute national bank in 1829 upon entering office, Jackson's letter to Randolph illustrates that, contrary to what some scholars have speculated, the president was rather consistent in opposing the BUS even if many of his cabinet members were open to a modified recharter.⁶¹

But even those who were not privy to the president's personal views and yet still hoped for compromise cautioned Biddle not to provoke Jackson until after the presidential election. This contingent included Edward Shippen, Samuel Smith, and McLane. Jackson, they said, would interpret an early application as a hostile act and would place the Bank question at the center of the upcoming election. Then, finally, there was a group of men who assumed that while an early application carried risks and Jackson's future behavior was still unpredictable, the president would have practically zero incentive to compromise with Biddle during his second term. Submitting early could potentially corner Jackson into taking an unpopular stance, which would weaken his support before the November election. Representatives Mercer and McDuffie in the House and Senators Clay and Webster were in this camp. Clay stated, "My own belief is that, if *now* called upon [Jackson] would not negative the bill; but that if he should be re-elected the event might and probably would be different." Biddle informed Clay a week later, "nothing is yet decided."⁶²

In the face of such conflicting recommendations stemming from diverse interests, Biddle dispatched Thomas Cadwalader to Washington to count votes in Congress and meet with prominent members of the Senate and Jackson's cabinet. Cadwalader, a senior BUS officer and director, was connected to Biddle through marriage and served as the Bank's acting president when Biddle was absent. Excerpts from a series of letters written between the two men testified to the degree to which Biddle trusted Cadwalader's opinion. "With you I have no reserves," Biddle wrote in one letter, and in another, Biddle confided, "I have not said this to anybody except yourself." On December 25, the ever-cautious Cadwalader stated to Biddle, "I do not yet *decide* – but *incline to suppose* that after the council at the Treasury, I shall advise the Comee to start the memorial." A few days later, Biddle firmed up his decision. In a letter to Smith explaining why the Bank was moving forward at this time, Biddle underscored, first and foremost, the desires of the Bank's stockholders and the need to avoid uncertainty, suggesting that the pressure coming from Clay and Webster was secondary.⁶³

The campaign hits full stride

The formal application for recharter was entered into the Senate by George Mifflin Dallas of Pennsylvania on 9 January and it was based on resolutions that had been approved by two BUS board meetings in Philadelphia. A few weeks later, Dallas sold shares of his BUS stock, anticipating "ad hominem" attacks from Senator Thomas Hart Benton for owning stock in the very institution he was promoting in Congress. These attacks, Dallas believed, would not only eat into his own profits, but also illustrated the relationship between reputation and solvency that the Bank's board had outlined in its internal report.⁶⁴ The memorial that Dallas presented to the Senate was written by Biddle and the directors, underscoring the Bank's importance as a national institution: "its own immediate operations are connected intimately with the local business of almost every section of the United States, with the commercial interchanges between the several States." Among other key provisions were arguments that the BUS "facilitated all the productive industries of the country"; that it gave "stability to all the rewards of labor"; that it provided sufficient capital for transportation projects; and that it propagated a stable currency. These points formed the foundation of citizens' memorials and petitions signed by state bankers, state lawmakers, and Bank advocates in the coming months – documents that would, in turn, be

sent back to Congress in the early months of 1832 in hopes of renewing the Bank's charter.⁶⁵

Biddle continued to appropriate previously existing communication networks between the branch offices and the Bank's Philadelphia headquarters. Since its inception, the BUS sent regular statements of its financial condition to the treasury secretary, who issued orders to the Bank president about how best to handle the public deposits.⁶⁶ The cashier at the Bank's parent branch, meanwhile, issued instructions to subordinate officers at the various branch offices concerning lending practices. In turn, the branches sent weekly statements of their assets and liabilities back to Philadelphia. William McIlvaine, cashier of the parent branch, advised the branch offices in the South and West, between late 1831 and early 1832, to ease up on their long-term discounts so as to gradually beef up the reserves of the East Coast branches for impending payments on the national debt. While this was going on, Biddle worked on his lobby behind the scenes.⁶⁷ In effect, Biddle delegated the official monetary policy to McIlvaine, while communicating political matters with the branch officers.

Close attention to the dates of these memorials illuminates the relationship between those who organized the media campaign from above in Philadelphia, and those throughout the nation who expressed support for the Bank at the grassroots level. The Bank's board of directors made preparations for its renewal application at meetings on 16 December and 5 January, and only afterward did Congress receive the first memorials and resolutions signed by state bankers and groups of pro-BUS advocates. Biddle, in fact, penned several of his branch officers across the country on 16 January 1832, asking them to solicit state bankers to draw up memorials and petitions for Congress.⁶⁸ One of the few surviving memorials contained in Biddle's various manuscript collections, sent from Kentucky, demonstrated the campaign's interregional reach. The memorial praised the BUS for promoting a sound currency; sustaining state banks; invigorating agriculture, commerce, and manufactures; and further, that failing to recharter the Bank would halt internal improvement projects, devalue property, and immediately "paralyze industry and destroy confidence."⁶⁹ Its ideas and reasoning bore a striking similarity to those contained in the original memorial composed in Philadelphia. Bank advocates signed a total of 118 citizens' memorials and 70 state bank memorials to Congress, while Jacksonians forwarded to Congress only eight anti-BUS citizens' memorials and no state bank memorials.⁷⁰

As the Bank's application slowly worked its way through Congress, the institution's opponents put up a stiff opposition of negative publicity and obstruction.⁷¹ Representative Augustin Clayton of Georgia introduced a resolution to form a committee that would investigate the Bank on the charges of mismanagement and violation of its charter. Although most of the House was pro-BUS, Speaker of the House Andrew Stevenson of Virginia ensured that this committee would be led by the Bank's enemies. Formed on 14 March 1832, and comprising seven members, the select committee would travel to Philadelphia to examine the Bank's account books, gather extracts from minutes of the Bank's board meetings and correspondence between bank officers, and conduct interviews with written testimony from the principal actors involved.⁷²

Clayton's majority report, released on 30 April, pummeled Biddle's relationship with the press, claiming that the Bank had abused its powers because it issued loans of unusually long duration to editors and loaned without adequate security. One loan that aroused

suspicion was for \$20,000, issued to Duff Green in February 1831. Bank advocates countered with written letters documenting how both Green and Biddle explicitly agreed that the *Telegraph* would continue to maintain its editorial independence on the Bank question in the spirit of free expression. More damaging to the reputation of the Bank were loans from Biddle to Webb. Silas Burrows had approached Biddle to discount some commercial paper and Biddle gave to Burrows \$15,000 worth of BUS notes. Burrows lent this sum to Webb and Mordecai Manuel Noah, who were co-editing the *New York Courier and Enquirer* at the time. Since the *Courier* started publishing editorials that were more favorable to the Bank after receiving the \$15,000 loan from Burrows, according to Clayton's report, the Bank must have bribed Webb. Biddle had taken this sum out of his own personal funds and did not record this transaction in the Bank's account books until the beginning of the new year, seven to eight months after he had approved the loan. What looked especially suspicious for the Bank's adversaries was that Biddle had approved the loan on his own accord without formally bringing it before the board, had asked only for personal security and not the more standard requirement of collateral security, and that the loan took place outside of the Bank's normal lending hours prescribed in the Bank's charter.⁷³

It was crunch time for the Bank, the stakes were high, the revelations were potentially damning, and the select committee was bitterly divided. The pro-BUS minority pushed back hard against Clayton, not only for his conclusions, but also for the manner in which he conducted the investigation. In a rare and lengthy supplementary report, Representative John Quincy Adams, serving on the minority committee, chastised the investigation for being one-sided and overstepping its authority in examining the Bank's confidential business transactions. Corporations, Adams held, were entitled to trial by jury under a court of law, not a prejudiced, partisan, and predetermined vendetta designed explicitly to ruin people's reputations. He compared the majority committee's tactics to a religious inquisition, pointed out that subsidizing the press was not a crime, and pronounced in no uncertain terms that impugning the motives of those who lawfully discounted commercial paper was "not only pregnant with injustice to individuals, but utterly beneath the dignity of the Legislature."⁷⁴

As the congressional hearings began to wrap up, Adams, for good measure, requested an amendment to publish "the names and amounts of payments to members of Congress in anticipation of their pay as members, before passage of the general appropriation bill." The results appeared in the concluding pages of Clayton's report as a list of "advancements" extended by the BUS branch in Washington to individual members of Congress. Political scientist James A. Morrison aggregated the advancements to a total sum of \$125,000. Then he compared each congressman's vote on the bill to recharter the Bank to whether they received advancements, concluding that all but three of the Jacksonian House members who supported recharter had taken BUS loans. Morrison's analysis implied that Biddle was advancing money to curry favors, but closer inspection shows that the advancements, in fact, were probably standard payments to members of Congress for their salary. The BUS, as the treasury department's fiscal agent, facilitated the collection and distribution of all public moneys, including payments to public officials. Congress and the Treasury Department were both located in the nation's capital, and thus the BUS branch office in Washington would have provided the most convenient credit facilities. In other words, the Bank was paying members of Congress before their

summer recess began under the assumption that Congress would vote later on an appropriations bill to fund government expenditures, thereby replenishing the Bank with funds from the treasury. This interpretation is supported by a written statement from Speaker Stevens, who explained that the numerical value of each advancement differed for each congressional member because of attendance record and mileage.⁷⁵ It may have been understandable to assume that every Bank payment to members of Congress had a nefarious purpose, especially given the revelations of Biddle's secret loans. But this particular case was different. Understanding the exact details of these transactions allows for a complex portrayal of the Bank president.

The most vigorous defense of Biddle's actions appeared in McDuffie's minority report, released on 11 May. Burrows, the report explained, had repaid the Bank on 2 March 1832; Webb had only endorsed the notes and never communicated directly with Biddle in this particular instance; and the transactions could not be considered an act of bribery because the *Courier* had already professed support for the Bank prior to the loan. The report also noted that Biddle had loaned thousands of dollars to Jacksonian editors, many of whom opposed the Bank. According to Biddle's written testimony before the committee, hard-line Jacksonians had turned the Bank question into a highly politicized issue and would find fault with Biddle no matter how he dealt with Webb's loan application. If the Bank granted the loan, Biddle held, it would be accused of bribery; if it rejected the loan, Jacksonians would claim that the Bank was politically motivated in its lending practices – an accusation they had aired consistently since the 1828 election. Stuck between a rock and a hard place, Biddle agreed to Webb's application because New York state banks had denied credit to Webb, given the editor's position on the BUS; because the *Courier*, as a profitable business, possessed the means to repay the loan; and because Walter Bowne, the mayor of New York City and former BUS director, had spoken highly of Webb.⁷⁶

As a major media outlet with several thousands of subscribers, the *Courier and Enquirer* seemed like a promising loan applicant. Like Gales and Seaton, Webb and Noah appropriated the latest technology and communications methods. They owned a Napier press and secured a \$20,000 loan from the BUS in early 1831 to purchase boats, presses, and types. About half the loan went to two "news schooners," the *Courier and Enquirer* and the *Eclipse*. In the era before trans-Atlantic telegraph lines, news from Europe arrived by ship, so the thinking was that if an editor could send his own ship into the ocean to intercept the America-bound ships, he might gain an advantage over his competitors by being the first to report on foreign news. These methods gave Biddle's campaign a modern flavor, but one problem for the Bank was that Webb, in addition to being a highly combative and prickly individual prone to physical fights and even dueling, was a poor businessman, a delinquent, and eventual bankrupt who constantly had to evade a long list of creditors.⁷⁷

Of the three committee reports, McDuffie's was the most sophisticated in its demonstrated knowledge of finance. It stated, quite accurately, that a bank's deposits, which enabled more lending, were more than just liabilities and would never be withdrawn from a bank in one fell swoop. McDuffie's report concluded with the conviction that "Congress is called upon by the most weighty and urgent considerations to decide this important question during the present session." Repeating the sentiments expressed during the Bank's stockholder meeting the previous September, the report admonished members of Congress: "The uncertainty which prevails on this subject, is calculated to exert a

pernicious influence over the industry, enterprise, and trade of the country.”⁷⁸ In large part because of Biddle’s concerted efforts, the wishes of the Bank’s most senior officeholders and investors materialized into a position that was subsequently adopted by a majority of the House. The tone of Clayton’s report, in contrast, was emotionally charged and moralistic. It posited an older theory of economic development based on the assumption that the amount of gold in a country was indicative of a nation’s wealth, regardless of a country’s balance of trade. Without much evidence, it claimed that the Bank had set up too many branches, had created an unsustainable credit bubble, and was about to repeat the same mistakes of 1819.⁷⁹ But however weak the majority report was in its argumentation, its practical effect was to convince Jackson and his anti-BUS supporters of their worst suspicions – that the Bank was willing to buy off the press. It also demonstrated that the Bank could not secure a veto-proof majority in the House.⁸⁰

Even some of Biddle’s most trusted allies began to question the underhanded lending practices exposed by Clayton’s report and balked at the unilateral powers that the Bank president had assumed for himself in approving controversial loans. Before approval, all applications for loan discounts were supposed to go before the Bank’s exchange committee. But in day-to-day practice, this was often a formality. The Bank president handpicked members of the committee and often made the final call on important decisions.⁸¹ Testimony from Clayton’s report showed that Biddle sometimes discounted without the board’s approval, ostensibly because each board member had worked with Biddle long enough to understand the business principles and integrity with which he operated.⁸² When Cadwalader left Philadelphia on business in early 1832, Biddle expedited loans to some of his preferred editors. Upon his return, Cadwalader informed Biddle that he was surprised at the “great amount” of these loans. One was “an accommodation to Gales and Seaton, of several years standing,” indicating that Biddle probably renewed the loan on a continual basis when it fell due. Particularly alarming to Cadwalader was Biddle’s secrecy and the absence of consultation. Cadwalader contemplated resignation. While he recognized that Biddle’s behavior stemmed from his “zeal for the interests of the Bank,” Cadwalader said to the Bank president in no uncertain terms, “do me the justice to acquit me of all knowledge of, or participation in [these] transactions.” One of the most influential men in pushing Biddle toward recharter a few months earlier, Cadwalader was now castigating the Bank president for the means by which he pursued recharter.⁸³

The early months of 1832, thus, brought mixed successes for Biddle. On the one hand, he successfully engineered the presentation of pro-BUS petitions in Congress and had a bill working its way through Congress, albeit slowly, while on the other hand, the secret loans to newspaper editors strained his relationship with Cadwalader and the Clayton investigation exposed the Bank’s less-than-innocent financial ties to the press and Congress. There were other divisive issues, especially the tariff, that consumed valuable time in Congress and threatened to derail the recharter bill until the next session of Congress. It is perhaps because Biddle had multiple avenues to congressional influence, beyond the outspoken and highly visible Clay and Webster, that he was able to overcome these obstacles. The modern phrase “revolving door” might best describe the porous boundaries between the BUS and Congress. Some congressmen had worked previously as BUS branch officers and directors. This was the case with John Sergeant, a member of Pennsylvania’s congressional delegation who had also been a prominent shareholder

and director of the parent branch. Sergeant, who shared lobbying and vote-counting responsibilities for the Bank with Representative John Goddard Watmough and fellow Philadelphian Horace Binney, ran for vice president on Henry Clay's ticket in 1832.⁸⁴

Whether it was because of the money he spent, the petitions he engineered, the communications networks he utilized, the favorable media coverage he procured, the proxies and lobbyists he employed, or even because of a bit of luck and determination, Biddle tasted victory in Congress by the summer. The House and Senate passed bills to recharter the Bank by relatively comfortable margins. The Senate bill, spearheaded by Dallas, passed on 11 June by a total of 28 to 20. McDuffie guided a bill through the House on 3 July by a vote of 107 to 85.⁸⁵ The next day, Independence Day, saw Biddle "openly canvassing" for support in the nation's capital according to Postmaster General William Barry. Because it was Jackson, the war hero, who would decide the Bank's fate, and because it was the Fourth of July, the meaning of Jackson's response would be inextricably linked with patriotism and nationalism.⁸⁶ The final bills sent to Jackson's desk contained modifications of the original bank charter that were intended to assuage many of the president's objections. The Bank would have a new 15-year charter, would not issue notes in denominations of less than 20 dollars, would report to the Treasury Department the list names of all of the Bank's foreign stockholders, including the amount of shares they owned, and would face stiff penalties if it held onto property for longer than five years.⁸⁷ That Jackson still vetoed the bill in spite of these modifications testifies to his stubborn character and commitment to what he regarded as nonnegotiable constitutional principles. Pro-Bank forces could not muster the two-thirds majorities in both houses to override the president, who doubled down on his BUS stance and won reelection in the fall.⁸⁸

As Jackson moved to strike a death blow against the Bank in his second term by removing the institution's federal deposits, Biddle turned erratic and confrontational. He began calling in the Bank's loans and curtailing credit, which produced a mild recession from late 1833 to mid-1834.⁸⁹ The point was to deliberately induce suffering in the community to force Jackson back to the negotiating table. This strategy backfired. An overzealous Biddle lost crucial support among stalwart allies, including members of Congress, fellow members of the Bank's board of directors, prominent governors in Pennsylvania and New York, and many of the nation's merchants and farmers.⁹⁰ Biddle never secured a recharter. Relegated to a private financial institution in Pennsylvania, Biddle's bank died an unceremonious death in 1841. Not until 1862 would the federal government charter another corporation, the Union Pacific Railroad.⁹¹

In the intervening period, the U.S. economy experienced profound transformations as part of its rapidly industrializing economy, with the Civil War and Gilded Age ushering in a more centralized banking system, the propagation of greenback notes, a new bond market, a bevy of complex credit instruments, and ever more byzantine forms of corporate organization. But some enduring patterns persisted. The historian Richard White, in a 2003 article, posited, "the [transcontinental] railroads took up a kind of politics that the Jacksonians had associated with the Second Bank of the United States."⁹² Like the BUS, railroads were government-sponsored monopolies that aroused popular outcry because of the corruption implicit in appropriating public money for private gain. In issuing complex credit instruments and commercial paper whose value depended heavily on confidence and reputation, railroads had much in common with banks. Railroads were financial enterprises just as much as they were transportation companies. Moreover, railroad companies in the

1870s and 1880s planted stories, loaned to journalists, and recruited them as agents and lobbyists. Railroad magnate Collis P. Huntington, like Biddle, commissioned articles and wrote many of them anonymously.⁹³ Echoing broad similarities to Clayton's report, an 1872 congressional investigation of Credit Mobilier, a finance and construction trust administered by a small group of directors of the Union Pacific railroad, brought to light a level of scandal and corruption operating on multiple levels, including bribery of members of Congress. If there was an antebellum era analog – perhaps even a precursor – to the more ubiquitous Gilded Age railroad lobby, Nicholas Biddle's campaign to recharter the BUS would make a strong candidate.⁹⁴

Conclusion

The failure to renew the Bank's charter need not diminish the historical significance of Biddle's lobby. Donations and favorable media coverage *in and of themselves*, whether in 1832 or in the twenty-first century, do not guarantee any particular outcome, even if they shape political behavior in powerful ways. This suggests the need for considering multiple variables. Overcoming a presidential veto is exceedingly rare within a two-party system, particularly when an issue like the Bank's recharter becomes politically polarized. And for their part, the Jacksonians, by virtue of their party-building spirit and control of an extensive patronage network connected with the federal bureaucracy, possessed powerful tools to counter the Bank's prowess.

Biddle's secret loans to newspaper editors and small bribes to confidential agents like John Norvell lend credence to the Jacksonian accusation of corruption, though the severity of Biddle's misconduct was not commensurate with the intense volume of outrage levied at the Bank by partisan Jacksonian newspaper editors, whose fulminous and vituperative commentary served the goal of constructing an ideologically cohesive political party.⁹⁵ The Bank's senior stockholders and board members assumed, with some validity, that expending financial resources in the propagation of pro-BUS ideas was necessary to protect the institution's image and reputation, both of which were critical to the Bank's business model and continued existence.

Measured in dollar amounts, the Bank likely spent between \$50,000 and 100,000 in its payments to various agents (confidential and otherwise) and in its orders for the printing and dissemination of sundry reports, articles, treatises, and editorials. Its loans to editors and lawmakers in the lead-up to Jackson's veto were probably between \$100,000 and \$150,000.⁹⁶ \$100,000 in 1832 would be equivalent to several millions of dollars today, though there are many caveats to any estimate ranging over such a long period of time. For comparison, \$1000 might have paid for a "prime field hand" slave or the annual salary for a mid-level public official working in Washington. To make further sense of these amounts, we might consider that the size of the U.S. economy in 1830, as measured in Gross Domestic Product (GDP), was approximately \$1 billion.⁹⁷ The U.S. federal budget for 1832 was \$34.6 million, which was about the same amount as the Bank's paid-in capital stock.⁹⁸ The Bank averaged about \$9 million in specie and around \$16 million in deposits for the month of August over a period between 1828 and 1834.⁹⁹

At least one larger implication of Biddle's lobby is the immense challenge of constructing monetary policy that is independent of political pressures, whether they be fickle voters or an overbearing president. Since the earliest days of the republic up until the

present, independent monetary policy has been a chief concern of economic policy-makers. Biddle's campaign shows us that even the brightest and most talented bankers, despite their best efforts to remain neutral, are still very much partial actors with an interest in preserving their institutions through political means.

Notes

1. Biddle to Webster, December 2, 1828; Biddle to Potter, January 9, 1830 in McGrane, ed., *The Correspondence of Nicholas Biddle*, 58–9, 95–6.
2. For Biddle's desire for political neutrality, see Biddle to Harper, January 9, 1829; Biddle to McLean, January 10 and 11, 1829, in McGrane, ed., *Biddle Correspondence*, 67–71.
3. Biddle to Gales, March 2, 1831, in McGrane, ed., *Biddle Correspondence*, 125–6. Ames, *A History of the National Intelligencer*, 172–225.
4. For a recent historiographical article, see Mihm, "The Fog of War," 348–75.
5. For the Second Bank's relationship to the Atlantic economy, see Lepler, *The Many Panics of 1837*. For the connection between the BUS and the domestic slave trade, see Baptist, *The Half Has Never Been Told*, 215–59.
6. Catterall, *The Second Bank of the United States*, 243–54; Remini, *Andrew Jackson and the Bank War*, 98–99.
7. Morrison, "This Means (Bank) War!" 221–45.
8. For two contrasting perspectives, see Wilentz, *The Rise of American Democracy*, 359–445; and Howe, *What Hath God Wrought: The Transformation of America, 1815–1848*, 328–95.
9. Morrison, "This Means (Bank) War!"; Perkins, "Lost Opportunities for Compromise in the Bank War," 531–51.
10. Lomazoff, "Turning (into) 'The Great Regulating Wheel,'" 1–23.
11. John, *Spreading the News*.
12. In 1831, the Post Office handled a volume of transactions far greater than that of the BUS. *Ibid.*, 6.
13. Lomazoff, "Turning (into) 'The Great Regulating Wheel,'" 22, citing the work of financial historians David Cowen and Richard Timberlake, notes that although the 1BUS served some public functions in its capacity as the federal government's fiscal agent, the institution often prioritized its private, for-profit motives. This was largely true of the 2BUS, particularly after Jackson's removal of the institution's federal deposits, which effectively stripped the 2BUS of its public responsibilities. Biddle to Hamilton, February 1, 1834; Biddle to Sergeant, August 13, 1835; Biddle to Edward Biddle, March 20, 1837; in *Nicholas Biddle Papers*, Library of Congress, Washington, DC. Hereafter LOC.
14. Nash, *The Unknown American Revolution*, 140–4.
15. Peart, "Looking Beyond Parties and Elections," 87–108.
16. Starr, *The Creation of the Media*, 83–150.
17. Many of the Bank's functions are outlined in the original 1816 charter, which can be found in *Annals of Congress*, House, 14th Congress, 1st Session, Appendix, 1812–1825. See also *Register of Debates*, 21st Congress, 1st Session, House, Appendix, 128–42. The number of directors is listed in Dewey, *The Second United States Bank*, 290. Also helpful is Smith, *Economic Aspects of the Second United States Bank*.
18. For Jackson's objections to the BUS, see Jackson to Hamilton, January 4, 1830, in Feller et al., eds., *The Papers of Andrew Jackson Volume 8 1830*, 12–16. For the Bank's property holdings in the West, see Cope to Biddle, July 26, 1832, *United States Bank Papers*, Historical Society of Pennsylvania, Philadelphia, PA. Hereafter HSP. Clay to Biddle, November 28, 1829 in Seager and Hay, eds., *The Papers of Henry Clay Volume 8*, 129.
19. Grundy to Jackson, May 22, 1829, in Feller et al., eds., *Jackson Papers Volume 7, 1829*, 236.
20. For conflicts at the BUS branch offices, see Appleton to Biddle, February 10, 1829, *Appleton Family Papers*, Massachusetts Historical Society, Boston, MA. McLean to Biddle, January 5, 1829; Biddle to McLean, January 11, 1829; Dun to Biddle, August 14, 1829; Biddle to

- Dickins, September 16, 1829, all in McGrane, ed., *Biddle Correspondence*, 63–75; Jackson to Overton, June 8, 1829; Memorandum on Nicholas Biddle's letter, circa late-September 1829, in Feller et al., eds., *Jackson Papers Volume 7, 1829*, 270–2, 459; Pope to Jackson, June 19 and August 6, 1831 in Feller et al., eds., *Jackson Papers Volume 9 1831*, 316–19, 467–71.
21. Memorandum, Between October 1829 and January 1830 in McGrane, ed., *Biddle Papers*, 93–4.
 22. Ingham to Jackson, November 24, 1829; Berrien to Jackson, November 27, 1829; Ingham to Jackson, November 27, 1829; Jackson to Hamilton, December 19, 1829, all in Feller et al., *Jackson Papers Volume 7*, 568–9, 578, 580, 642.
 23. For the drafting and revision process of Jackson's first annual message, see Feller et al., *Papers of Andrew Jackson Volume 7*, 587–629, especially "Draft by John Henry Eaton on the Bank of the United States," November 1829, 587–9. For the finalized version delivered to Congress, see *House Journal*, 21st Congress, 1st Session, 11–28.
 24. *Register of Debates*, Senate, 21st Congress, 1st Session, Appendix, 98–104. Evidence for Biddle's authorship of the report is presented in Govan, *Nicholas Biddle*, 125–7.
 25. Biddle to Samuel Smith, April 22, 1830, *Biddle Letterbooks*, LOC.
 26. *Register of Debates*, 21st Congress, 1st Session, House, Appendix, 104–33.
 27. *Ibid.*, 120.
 28. Hamilton to Jackson, January 4, 1830; Jackson to Hamilton, May 3 and June 3, 1830; Jackson to Lewis, June 28, 1830, all in Feller et al., *Jackson Papers Volume 8*, 12–16, 221, 342–4, 403.
 29. "Report of a Committee of Directors of the Bank of the United States," December 3, 1833, *Manuscripts and Political Papers*, 39, Independence National Historic Park, Philadelphia, PA. Hereafter INHP.
 30. *House Journal*, 21st Congress, 2nd Session, 8–33.
 31. Kendall to Blair, October 2, 1830, *Blair-Lee Papers*, Firestone Library, Princeton University. Hereafter FLP. Kendall to Blair, November 20, 1830, *Blair Family Papers*, LOC.
 32. Jackson to Lewis, June 26, 1830; Hamilton to Jackson, July 29, 1830, in Feller et al., eds., *Jackson Papers Volume 8*, 396–7, 456; Jackson to White, April 29, 1831, in Feller et al., eds., *Jackson Papers Volume 9*, 220. For Green's stances on the Bank question, see Belko, *The Invincible Duff Green*, 272–80.
 33. Hays to Jackson, January 3, 1831; Campbell to Jackson, January 14, 1831 in Feller et al., eds., *Jackson Papers Volume 9*, 6–7, 20–23. For the *Globe's* reach and circulation, see Lewes to Blair, August 7, 1832; Wells to Blair, May 29, 1832, in *Blair-Rives Papers*, LOC. For the patronage system, see Smith, *The Press, Politics, and Patronage*, 57–86.
 34. Tucker to Biddle, January 26 and April 8, 1831, *Biddle Papers*.
 35. Gallatin to Biddle, February 17, 1831; Robinson to Biddle, February 19, 1831, *Biddle Papers*.
 36. Burrows to Biddle, February 13 and 17, 1831; Swartwout to Jackson, April 19, 1831, in Feller et al., eds., *Jackson Papers Volume 9*, 196–7. Although Burrows was working with Biddle to support the Bank's recharter effort in early 1831, Burrows reversed course several months later. He attempted to blackmail the Bank president and began negotiating with President Jackson, to no avail. In early 1832, Burrows resumed his financial dealings with Biddle. Morrison, "This Means (Bank) War!" 232–4.
 37. Ingersoll to Biddle, February 17, 1831, *Biddle Papers*.
 38. Norvell to Biddle, March 11, 1831, *Biddle Papers*.
 39. Govan, *Nicholas Biddle*, 147–54. Biographical information on Ingersoll and Norvell can be obtained in *Biographical Directory of the United States Congress, 1774–Present*, available at: <http://bioguide.congress.gov/biosearch/biosearch.asp>, accessed 27 July 2015.
 40. Norvell to Biddle, June 21, 1831, *Biddle Papers*; Pasley, "Minnows, Spies, and Aristocrats," 599–653.
 41. For canals, see Taylor, *The Transportation Revolution 1815–1860*, 34, 79, and 133; For Post Office statistics, see *American State Papers*, 20th Congress, 2nd Session, No. 72, "Condition of the Post Office Department" and Amos Kendall to unknown, April 4, 1839, *Amos Kendall Miscellaneous Papers*, Filson Historical Society, Louisville, KY. Hereafter FHS. In 1828, there were 7651 post offices. In April 1839, Kendall estimated about 13,000 post offices.
 42. Kendall to unknown, April 4, 1839, *Amos Kendall Miscellaneous Papers*, FHS.

43. Starr, *Creation of the Media*, 112–27.
44. *Ibid*; John, *Spreading the News*.
45. Pasley, *The Tyranny of Printers*, 19–20.
46. For the financial travails of editors, see Steffen, “Newspapers for Free,” 381–419.
47. Smith, *The Press, Politics, and Patronage*, 57–86.
48. *Register of Debates*, House, Appendix, 22nd Congress, 1st Session, 33–46.
49. Gales to Richard Smith, February 12, 1831; Gales to Biddle, February 13, 1831; M. Robinson to Biddle, February 19, 1831, in *Biddle Papers*; Biddle to Gales, March 29, 1831, *Biddle Letterbooks*; Ames, *A History of the National Intelligencer*, 172–225.
50. *Niles’ Weekly Register*, January 4, 1834; John C. Rives to Blair, June 19, 1833, *Blair-Lee Papers*, FLP; Ames, *History of the National Intelligencer*, 152, 219–35.
51. There are few surviving letters and records from Gales and Seaton. Much of what historians know about them comes from the letters they wrote to Biddle, their newspaper columns, and what their contemporaries, including Hezekiah Niles and Francis Blair, wrote about them.
52. Unknown to Biddle, March 17, 1831, *Biddle Papers*. The unknown correspondent may have been James Robertson, the cashier at the BUS branch office in Richmond. H. R. Report 460, 22nd Congress, 1st Session, 518, Serial Volume 227.
53. *Ibid*.
54. For an example of this viewpoint, see Biddle to James Hunter, May 4, 1831, in McGrane, ed., *Biddle Correspondence*, 126–7.
55. “Report of Directors of BUS,” 39–41.
56. For the connection of psychological factors and financial panics, see Diamond and Dybvig, “Bank Runs, Deposit Insurance, and Liquidity,” 401–19; Lepler, *The Many Panics of 1837*, 94–122.
57. *Niles’ Weekly Register*, September 10 and October 8, 1831.
58. *Ibid*. *Annals of Congress*, House, 14th Congress, 1st Session, Appendix, 1812–1825. *House Journal*, 21st Congress, 1st Session, 11–28.
59. *House Journal*, 22nd Congress, 1st Session, 9–21; *Register of Debates*, 22nd Congress, 1st Session, Appendix, 25–33.
60. Jackson to Randolph, December 22, 1831, in Feller et al., *Jackson Papers Volume 9*, 782–3.
61. Perkins and Morrison contend that compromise between Biddle and Jackson was possible at several points during the Bank war, especially in 1831. However, Jackson expressed his opposition to the Bank from the start of his first term in early 1829, corresponding with his political allies on the details for a substitute bank. For Jackson’s consistent opposition to the BUS, see Jackson to Van Buren, December 6, 1831; Jackson to Hamilton, December 12, 1831; Randolph to Jackson, December 19, 1831, in Feller et al., eds., *Jackson Papers Volume 9*, 731–3, 768–9, 780–2. Cadwalader to Biddle, December 26, 1831, in McGrane, ed., *Biddle Correspondence*, 160–1.
62. Shippen to Biddle, December 6, 1831; Mercer to Biddle, December 12, 1831; Smith to Biddle, December 17, 1831; Webster to Biddle, December 18, 1831; McLane to Biddle, January 5, 1832, all in McGrane, ed., *Biddle Correspondence*, 88–91, 136–8, 140–6, 154–61, 165–8. Clay to Biddle, September 11, 1830 and December 15, 1831; Biddle to Clay, December 22, 1831, in Seager and May, eds., *Clay Papers Volume 8*, 263–4, 432–3, 435. Clay’s letter to Biddle on December 15 marked a reversal from his previous recommendation to Biddle on September 11, 1830, where he predicted that an early application would play into the hands of the Jackson Party.
63. Cadwalader to Biddle, December 20, 21, 22, 23, and 25, 1831; Biddle to Cadwalader, December 24, 1831; Biddle to Smith, January 4, 1832, all in McGrane, ed., *Biddle Correspondence*, 146–58, 161–5. Biddle to Cadwalader, December 29, 1831, in *Biddle Papers*. Historians who have emphasized Clay’s role in Biddle’s decision to apply for an early recharter include Remini, *Henry Clay*, 379; Wilentz, *The Rise of American Democracy*, 367–8; and Baptist, *The Half Has Never Been Told*, 250.
64. Dallas to Gilpin, January 25 and February 10, 1832, *George M. Dallas Papers*, HSP.

65. "Memorial of the President and Directors of the Bank of the United States On Behalf of the Stockholders praying for a renewal of the charter," January 5, 1832, *Manuscripts and Political Papers*, CAT #1755, INHP. *Register of Debates*, Senate, 22nd Congress, 1st Session, 53–5.
66. H. R. Report 460, 315, Serial 227. Ingham to Biddle, December 4, 1829, *Letters to Banks*, National Archives and Records Administration, College Park, MD.
67. H. R. Report 460, 513–25, Serial 227.
68. One example was from George Poe, Jr., an agent of the Mobile branch BUS, who urged John L. Tindall, president of the Bank of the State of Alabama, to help pass pro-BUS resolutions intended for Congress. Tindall responded to Poe 12 days later by getting the Bank of the State of Alabama to pass the requested resolutions. Poe to Tindall, February 11, 1832; Tindall to Poe, February 23, 1832, *Biddle Papers*.
69. Kentucky Memorial, to the Congress of the United States, n.d., *Biddle Papers*.
70. For examples of memorials presented to the Senate, see *Senate Journal*, 22nd Congress, 1st Session, 91. Typically a senator or representative from a given state would present a memorial (or petition) in Congress. Most memorials did not list the specific names of those who signed them, but indicated that they were from a certain state bank or perhaps a group of citizens from a given city or county "praying" for renewal of the Bank's charter. All memorials sent into Congress concerning the recharter of the BUS occurred after the Bank's board meetings on December 16, 1831, and January 5, 1832. *A Century of Lawmaking for a New Nation*, available at: <http://memory.loc.gov/ammem/hlawquery.html>, accessed 23 July 2015. Wilburn, *Biddle's Bank*, 31–45; Remini, *Andrew Jackson and the Bank War*, 41.
71. For the perspective that Benton and Clayton were intentionally trying to delay the passage of the Bank bills for political effect, see O'Fallon to Biddle, March 3, 1832, *Biddle Papers*.
72. *Register of Debates*, House, 22nd Congress, 1st Session, 2092–163.
73. H. R. Report 460, 109, 553–7, Serial 227.
74. *Ibid.*, 379.
75. Morrison, "This Means (Bank) War!" 238–9; H. R. Report 460, 424, 532, 568–71.
76. H. R. Report 460, 297–327, 369–410, Serial 227.
77. *New York Courier and Enquirer*, June 6, 1832; August 23, 1832, quoted in *Niles' Register*, September 1, 1832; Hoskin to Webb, July 1, 1832; Lispenard Stewart, "Last Will and Testament of Robert Stewart"; "Indenture," James Watson Webb to Daniel E. Tylee and Stephen Webb, December 8, 1832, all in *James Watson Webb Papers*, Yale University Stirling Library, New Haven, CT. Crouthamel, *James Watson Webb*, 31.
78. H. R. 460, 314, Serial 227.
79. *Ibid.*, 1–29.
80. *Ibid.*, 297–327; McGrane, ed., *Biddle Correspondence*, 357–9. For the impact of Clayton's report on Jackson's thinking, see Hamilton to Jackson, May 7, 1832, in Bassett, ed., *Correspondence of Andrew Jackson Volume IV 1829–1832*, 437–8.
81. Biddle, as a major stockholder and president, held a considerable amount of power over the institution's policies and decision-making. The Bank's stockholders elected the board of directors. There were 4553 votes allocated to the Bank's stockholders for electing board members and Biddle controlled 1,684 or over 30% them. The board, in turn, appointed members of the institution's various committees, including the exchange committee that typically handled loan applications. H. R. Report 460, 284, Serial 227.
82. H. R. Report 460, 190, Serial 227.
83. Cadwalader to Biddle, March 14, 1832, *Cadwalader Family Papers*, Box 98, HSP.
84. Watmough to Sergeant, May 1, 1832, *Biddle Papers*. Crouthamel, "Three Philadelphians in the Bank War," 361–78.
85. *House Journal*, 22nd Congress, 1st Session, 1066–75; *Senate Journal*, 22nd Congress, 1st Session, 345–6.
86. William Barry to Susan Barry, July 4, 1832, in William T. Barry, "Letters of William T. Barry," 233.
87. *Senate Journal*, 22nd Congress, 1st Session, 451–3.
88. *Ibid.*, 433–46.

89. Biddle to Rathbone, November 21, 1832; Biddle to Perkins, November 26, 1832; Biddle to Lenox, October 1, 1833, in *Biddle Papers*; *Washington Globe*, November 30, 1833; *National Intelligencer*, December 17, 1833; *Niles' Weekly Register*, January 25, 1834; *New York Spectator*, March 24, 1834; Meerman, "The Climax of the Bank War," 378.
90. Webster to Biddle, December 21, 1833; Biddle to Appleton, January 27, 1834; Biddle to Binney, February 4, 1834; Biddle to Watmough, February 8, 1834, in McGrane, ed., *Biddle Correspondence*, 218–21; Biddle to Elihu Chauncey, February 10, 1834, in *Manuscripts and Political Papers*, INHP. For Biddle's erosion of support, see Webb to Biddle, March 18, 1834; R. Fisher to Biddle, July 7, 1834, in McGrane, ed., *Biddle Correspondence*, 227, 241–2; *National Intelligencer*, July 17, 1832; Biddle to Rathbone, July 11, 1834, *Biddle Papers*; *Washington Globe*, March 3, 1834.
91. White, *Railroaded*, 19.
92. White, "Information, Markets, and Corruption," 19–43.
93. *Ibid.*, especially 24–36.
94. For more on the Credit Mobilier scandal, see Kens, "The Credit Mobilier Scandal and the Supreme Court," 170–82.
95. For the role of newspapermen in stimulating party development through exaggerated rhetoric, see Pasley, "The Tyranny of Printers:" and Thornton, *Politics and Power in a Slave Society*, 127–31.
96. The estimate for the Bank's expenditures on printing orders is based primarily on "Report of Directors of BUS," 40, which stated that between December 1829 and December 1833, the Bank spent \$58,000 to defend itself. This sum included printing and circulating reports to Congress, speeches in Congress, and other miscellaneous publications. Most of this period occurred before the veto. The estimate for the Bank's loans to newspaper editors and members of Congress is based on figures published in several sources. H. R. Report 460, 108–10, Serial 227 lists loans of several thousand dollars to Thomas Ritchie and Gales and Seaton. There is also Biddle's own estimate, which appears in McGrane, ed., *Biddle Correspondence*, 357–9. Readers might be curious about the terms of the loans that Biddle extended to editors and congressmen, including principal, interest, duration, security, renewal, etc. While one can gather bits and pieces of this information with enough study, unfortunately, the available documentary evidence makes it difficult, if not impossible, to answer all of these questions. We may know the principal of a loan issued to Duff Green, for example, but may not know the interest rate, duration, security provided, or whether the loan was renewed, fell due, or defaulted.
97. A useful website for converting dollar amounts in the past to their equivalent in today's dollars is Louis Johnston and Samuel H. Williamson, "Seven Ways to Compute the Relative Value of a U.S. Dollar Amount – 1774 to present" *MeasuringWorth*, 2013. Available at: <http://www.measuringworth.com/uscompare/>. Accessed December 19, 2014. One can also use this website to obtain GDP numbers for past years (hence, the figure of \$1 billion).
98. The US Treasury Department's estimate for the 1832 federal budget of \$34,611,466.03 appeared in the *National Intelligencer*, December 10, 1832.
99. The Bank's specie holdings varied based on multiple variables, including the country's balance of payments, payments on the national debt, and the time of year. To account for seasonal variability, it makes sense to obtain balance sheets from the same month over several years. Balance sheets, which capture a financial institution's assets and liabilities at any given moment, are rare for the BUS. But thankfully, there are at least three available for the date of August 1, published in the *Aurora and Pennsylvania Gazette*, September 3, 1828; *Niles' Weekly Register*, September 10, 1831; and the *New York Spectator*, March 24, 1834. To arrive at the average of \$9 million in specie and \$16 million in deposits over this six-year period, I simply added up all of the totals and divided by three.

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Notes on contributor

Stephen W. Campbell is a lecturer who teaches U.S. history at California State Polytechnic University, Pomona, and Pasadena City College. He completed a doctorate in history from the University of California, Santa Barbara. In addition to authoring a book chapter on internal improvements for an edited volume entitled, *A Companion to the Era of Andrew Jackson*, published by Wiley-Blackwell, he has published articles in *History News Network*, *Perspectives on History*, *Ohio Valley History*, and *Missouri Historical Review*. Within the next two years, he plans to publish a monograph based on revisions to his dissertation research.

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