




LOCOFOCOS, VAN BUREN DEMOCRATS AND PROGRESS

APPROVED:


Major Professor


Minor Professor


Director of the Department of History


Dean of the Graduate School

LOCOFOCOS, VAN BUREN DEMOCRATS AND PROGRESS

THESIS

Presented to the Graduate Council of the
North Texas State University in Partial
Fulfillment of the Requirements

For the Degree of

MASTER OF ARTS

By

David Allen Levisay, B. A.

Denton, Texas

August, 1970

TABLE OF CONTENTS

Chapter	Page
I. THE ORIGINS OF THE LOCOFOCOS	1
II. THE LOCOFOCO REACTION	18
III. THE LAST DAYS OF THE LOCOFOCOS	40
IV. THE FOUNDATIONS OF THE VAN BUREN ADMINISTRATION	74
V. THE POLICIES OF THE SPECIAL SESSION	105
VI. THE PEOPLE CHOOSE PROGRESS	122
BIBLIOGRAPHY	170

CHAPTER I

THE ORIGINS OF THE LOCOFOCOS

In 1835 a group of dissidents broke away from the Democratic party organization in New York City and formed what became known as the Locofoco party. Whigs and many Democrats condemned the radical nature of this group. Two years later, after President Martin Van Buren had adopted a program viewed by conservative Democrats and Whigs as being Locofoco-oriented in principle, the Locofocos rejoined the Democrats. By 1840 Van Buren Democrats were generally referred to as Locofocos by their enemies.

An investigation of the origins and history of the Locofoco party, with particular emphasis upon the divergent theories which made up its heterogeneous ideology, is the first object of this study. A comparison can be made between this ideology and the national administration by studying the developments that took place in 1837 and by evaluating the reasons for the ultimate defeat of the Van Buren Democrats three years later.

Historian Bray Hammond calls "the political and cultural force of business enterprise . . . the most powerful continuing influence in American life ever since Independence." This is probably true because Americans have generally had faith that basic social benefits would arise from rapidly increasing productivity. Critics, in turn, have attempted to evaluate certain

costs involved in that middle-class vision of progress. In the 1830s, newspaper editor William Leggett asked his readers to calculate the social and political price paid when politicians and capitalists combined to stimulate economic enterprise.¹ "The bank-boom-bust sequence was the primal experience of Jacksonian life . . .," not only for capitalists exulting in opportunity, but also for concerned people reacting to the process.²

The state of New York was in an advanced stage of economic growth by the 1820s. A tacit alliance existed between elements of the business community and many members of the predominant Democratic political machine, the Albany Regency. A reaction arose against the financiers, merchants, and lawyers who seemed to possess an undue influence over state and local governments which was utilized to gain lucrative corporate charters, franchises, and licenses. Such grants were ostensibly made to serve the "common good." Those reacting opposed privilege and demanded "equal rights" for all citizens. This was one aspect of the Antimasonic movement in New York. Attacking in-group privilege, the Antimasons sought to associate the Masonic clique with the Albany Regency.³

¹Bray Hammond, Banks and Politics in America from the Revolution to the Civil War (Princeton, 1957), pp. vii-viii; James W. Hurst, Law and the Conditions of Freedom in the Nineteenth-Century United States (Madison, 1956), p. 7; Theodore Sedgwick, Jr., ed., A Collection of the Political Writings of William Leggett (New York, 1840), I, 128, hereafter cited as Leggett, Writings.

²Marvin Meyers, The Jacksonian Persuasion (Stanford, 1957), p. 77.

³B. Hammond, Banks and Politics, p. 351; Gustavus Meyers,

Workingmen's parties appeared in many urban population centers at about the same time. These frequently middle class dominated parties sponsored progressive reforms. In New York City the party split into rival factions which disappeared as separate entities by 1831. The group whose titular leader was editor George Evans realigned itself with the Democratic party when Andrew Jackson began his struggle with the Bank of the United States.⁴

Evans continued to agitate for reform through the pages of his labor-oriented newspapers, the Working Man's Advocate and The Man. He proposed that the bank war be extended to all banks. The Tammany Society, dominated by friends of the banks, controlled the local Democratic organization. Evans led an attempt to reorganize the workingmen into a faction designed to reform the Democracy from within.⁵

Meanwhile the Whigs were evaluating the past mistakes of anti-Jackson politics. New York editor Thurlow Weed saw that support of the Bank of the United States had been a strategic

The History of Tammany Hall (New York, 1901), p. 91; Lee Benson, The Concept of Jacksonian Democracy: New York as a Test Case (Princeton, 1961), pp. 16-17; Albany Evening Journal, March 22, 25, 1830; Harriet Weed, ed., Autobiography of Thurlow Weed (Boston, 1884), p. 366.

⁴Jabez D. Hammond, The History of Political Parties in the State of New-York, 4th ed. (Cooperstown, New York, 1846), II, 330-331; Walter Hugins, Jacksonian Democracy and the Working Class: A Study of the New York Workingmen's Movement, 1829-1837 (Stanford, 1960), pp. 22-24, 28.

⁵New York Man, April 14, 1834; New York Working Man's Advocate, April 19, 1834; Man, May 10, 17, 1834.

error. Now the Whigs would aim at greater popular backing by emphasizing the corrupt alliance between the Regency and the state banking structure (called the Safety Fund system) which the Democrats had set up in 1829 with the blessing of Governor Martin Van Buren. The banks contributed to a general fund administered by the state which would back up the circulating notes of any institution that failed. A board of bank commissioners served as a regulating agency.⁶

The Whigs gained few allies among New York City radicals, who viewed both state parties as being dominated by conservatism. The antimonopolists shared a distaste for the state banking system with the Whigs, although often for different reasons. Some emphasized the monopolistic aspects of special charters. Those who leaned toward the theories of George Evans were more concerned about the paper money issued by banks. Bank notes served both as credit loaned to borrowers and as circulating currency. The notes were subject to depreciation under certain conditions, such as distance from the issuing bank, reputation of the bank, and overissues. Evans attacked this "paper" and the issuing banks, urging wage earners to refuse depreciated paper and demand their pay in specie.⁷

⁶Weed, Autobiography, p. 445; Benson, Concept of Jacksonian Democracy, pp. 91-93.

⁷Working Man's Advocate, November 18, 1832, January 19, 1833, August 30, 1834. The banks were monopolistic in the sense that they were granted legal privileges not authorized to all and hence a violation of equal rights. Opponents of special charters viewed them as political gifts.

The Evans group did not concern themselves with the easy-credit needs of enterprisers; in fact, they tended to view grandiose plans for economic development with apprehension. Some Americans assumed that it was unnecessary for fast, "unnatural" advancement to take place. They believed that government economic aids such as tariffs, loans, and charters had produced evils such as the factory system. Factories were protected from foreign competition while the labor force swelled because of unrestricted immigration.⁸

William Leggett agreed with Evans on many issues, but based his ideas solidly upon a laissez-faire philosophy which relentlessly attacked all legally-granted privilege as a violation of "first principles." At one time or another, Leggett denounced public ownership of wharves, municipal licensing of butchers, the government operated post office, and the multitude of petty officials who weighed, measured, and inspected in the city.⁹

Leggett became an assistant-editor of the New York Evening Post in 1829. Free-trade advocate William Cullen Bryant was editor: "an economic individualist who refused to conceive of the political state as a fat cow to be milked by whoever could lay hands on her."¹⁰ Liberals like Bryant formed a wing of the

⁸Ibid., December 29, 1832; Man, May 21, 1834, citing the New York Evening Post; Working Man's Advocate, February 23, March 2, 1833.

⁹Leggett, Writings, I, 297-298, II, 219-220, 194, 94.

¹⁰Vernon Parrington, Main Currents in American Thought (New York, 1927-30), II, 234. Bryant gives a sympathetic sketch of his relationship with Leggett in "William Leggett," United States Magazine and Democratic Review, VI (July, 1839), 17-28.

antimonopoly movement that differed in essence from the more proletarian-oriented radicals, although ultimate aims were often alike. In 1834 Bryant took an extended tour of Europe, leaving the dynamic and iconoclastic Leggett in charge of the influential Post. Leggett became known as the most radical of editors. The Post, a six-penny paper which depended upon a middle class readership, was near ruin when Bryant returned in 1836.¹¹

Leggett exasperated even his friends. Theodore Sedgwick, Jr., a member of the Post staff and an ardent free-trader, said that many supporters of Leggett's general philosophy often opposed him on particular subjects. Leggett began with the assumption that the mercantilist methods of state economic intervention violated natural law and had been rejected by the best modern thinkers. For government to try to manipulate an economy was "to make water flow up hill." This attitude stemmed not only from an abiding faith in natural law harmony but also from a deep-rooted distrust of "small-beer politicians."¹²

Enemies accused Leggett of being an "agrarian." In New York an agrarian was one who wished to redistribute landed property among the present generation. It was easy for Leggett to prove that logically the opposite was true. He even opposed free ferries because all were taxed and only a few benefited. Still he would allow public street construction because

¹¹Allan Nevins, The Evening Post: A Century of Journalism (New York, 1922), pp. 149, 163.

¹²Sedgwick's preface to Leggett, Writings, I, iv; ibid., I, 116, 247, II, 68.

"conveniences over-balance the theoretic objections," and he concluded that a paid fire department was a legitimate creation of government. So the claims of convenience and necessity could infiltrate even the extreme laissez-faire, negative-government principles of William Leggett. Generally, however, he believed that natural economic law would prevent any business combination from becoming overly powerful if it was not aided by government. In Leggett's eyes privilege was the root of evil in a republican state; any exception to general laws would always favor wealth. When John Marshall died, Leggett accused the great jurist of attempting to increase the power of government "at the expense of the people's rights."¹³ That was Leggett's verdict concerning the positive state.

By the close of 1834, the Post was feuding with the Albany Argus, organ of the Regency. Vice-President Van Buren began to receive dire reports concerning the Post, a paper previously counted in the Democratic camp. The Post was too radical, a disorganizing element in the city, and might seek to back a local agrarian ticket. Sedgwick sought to apologize for the excesses of the Post, but pointedly informed Van Buren that Leggett was popular with many young men close to city politics and that his doctrines would probably gain a rural following.

¹³Working Man's Advocate, September 4, 1830; Leggett, Writings, II, 81, 92; M. Meyers, Jacksonian Persuasion, pp. 144, 147; Leggett, Writings, I, 165, II, 4. The opposite view was that "Marshall has cemented the Union which the crafty and quixotic democracy of Jefferson had a perpetual tendency to dissolve." Allan Nevins, ed., The Diary of John Quincy Adams, 1794-1845 (New York, 1929), p. 461.

Many people in the city were in favor of a general incorporation law which would eliminate special bank incorporations and allow anyone to enter banking, subject only to general requirements. Leggett's agitation caused Van Buren's son, John, to consider the editor to be "wicked or crazy." Edwin Croswell's Argus raged when the Post called its Albany friends a cabal and said Leggett was an "arrogant and hot-headed individual."¹⁴

The increasingly aggressive antimonopolists awaited the annual message to be delivered in January by the new Democratic governor, William L. Marcy. The most important issue was the suppression of small bank notes under five dollars. Leggett believed that such a measure would keep specie in circulation and act to curb the over-zealous "speculative spirit," so much in evidence because of easy-money banking policies. Currency depreciation might be curbed. Leggett hoped that Marcy would recommend a general incorporation law.¹⁵

In his message Marcy proclaimed the banking system to be in good condition but proposed that note circulation be reduced. No more banks should be chartered. Evans noted that this was

¹⁴George D. Strong to Martin Van Buren, December 23, 1834, Gideon Lee to John Morgan, December 29, 1834, Theodore Sedgwick, Jr. to Van Buren, December 29, 1834, January 2, 1835, Martin Van Buren Papers, Library of Congress, on microfilm, North Texas State University; John Van Buren to Jesse Hoyt, December 30, 1834, William L. Mackenzie, The Life and Times of Martin Van Buren (Boston, 1846), p. 258; Albany Argus, January 9, 12, March 11, 1835.

¹⁵Leggett, Writings, I, 137-140. Banks liked to issue small notes because they were less likely to be returned for redemption in coin. Davis Dewey, State Banking Before the Civil War (Washington, 1910), p. 64.

an attempt to steer a middle course, a typical Marcy policy. The governor recommended suppression of small notes but carefully pointed out that currency contraction was not the object. That would reduce wages and property values; the proper goal was simply to bring more specie into circulation. Evans argued that contraction would benefit the wage earner. Concerning Marcy's slight concessions, John Van Buren said that the Post had frightened the governor into radicalism, but the restraining law was safe, at least for the current legislative session.¹⁶ The restraining law prohibited anyone from engaging in banking without a special charter.

The annual bank commissioners' report noted that suppression of small notes would not cause deflation. The tone of the report was definitely one of easy money. Legislative debate began on the governor's proposals. The prevailing opinion was that the benefits of paper money outweighed the drawbacks. Any scarcity of money would arrest "the march of improvement." The major benefit of suppressing small notes would be that workers would be paid in non-depreciated coin.¹⁷ The goal of the legislators was to keep credit easy and yet prevent any undue inflation—a difficult situation to achieve.

¹⁶Governor's message, Albany Argus, January 7, 1835; Working Man's Advocate, January 17, 1835; John Van Buren to Martin Van Buren, January 14, 1835, Van Buren Papers. Evans advocated suppression of notes under twenty dollars within three years. Working Man's Advocate, January 10, 1835.

¹⁷Albany Argus, February 3, 11, 9, 1835. This would reduce the paper circulation about twenty percent if the small notes issued in other states could be kept out.

The bill prohibiting small notes passed both houses easily since most legislators were assured that money would remain in plentiful supply. Suppression would be spread over an eighteen month period just as the Argus had advised. Editor Croswell also asked that the restraining law not be repealed: "What may be said to be given up on the score of 'natural rights' is gained by greater security to the people, a sounder currency. . . ." Capitalists were instigating the attack on the Safety Fund system.¹⁸ Truth lurked in the background of his argument.

Passage of the small-bill law did not diminish the alienation of the antimonomopolists. In 1834 as both Whigs and Democrats sought to woo the growing faction, Tammany candidates had pledged not to charter any new "monopolies." The speaker of the Assembly ridiculed the New York delegation; one year they were demanding mass expansion of banking facilities, the next they were attacking the whole system. George Evans rebuked the speaker but expected betrayal from the pledged legislators. By March only ex-Workingman Job Haskell and three other New Yorkers had proven trustworthy.¹⁹

Another prominent grievance during this period involved the issue of prison labor. New York prisoners were put to work at trades. Capitalists contracted with the state, provided raw materials, and marketed the finished products, which they sold

¹⁸Ibid., February 20, March 25, January 5, 13, 1835.

¹⁹G. Meyers, Tammany Hall, pp. 119-120; Albany Argus, January 21, 1835; Working Man's Advocate, January 31, 1835; Albany Argus, March 11, 1835.

at prices below those of outside mechanics who produced the same wares. The system was designed to rehabilitate the convicts and also make the prisons profitable—equally "worthy" aims. Complaints of organized labor led to the appointment of a three-man commission to study the problem. Ely Moore, president of the National Trades' Union and newly-elected congressman from New York, was an appointee. The commission recommended that prison production be confined to endeavors which would not compete with domestic mechanics.²⁰ Organized labor criticized Moore severely, demanding that the system be eliminated. George Evans was astonished that Moore had signed the report. Evans advised that prison expenses be paid with a property tax. That was unlikely since New York went to great lengths to avoid such a tax. Leggett denounced Moore, as did a meeting at Tammany Hall addressed by trade-union leader John Commerford.²¹

A prison bill based on the commission report passed in the legislature by wide margins. Rural-oriented free-trade radicals like Samuel Young in the Senate supported the bill because the

²⁰John R. Commons and associates, History of Labor in the United States (New York, 1936), I, 346-347; abstract of the prison commissioners' report, Albany Argus, February 5, 1835. The Argus agreed with this rational proposal. But no one attempted to explain why the prisons had to show a profit. The mechanics perhaps demonstrated a lack of community spirit, but their real opposition was directed against the prevailing problem of an indirect taxation which fell furtively and regressively on the working class. See Haskell's argument before the New York Assembly, Working Man's Advocate, May 9, 1835.

²¹Ibid., February 14, 21, 1835; Leggett, Writings, I, 264; Albany Argus, April 8, 1835.

volume of prison production was low and could not significantly harm anyone. Moore, reminded of previous unqualified statements he had made on the subject, was thus introduced to practical politics. His defense to his peers was simply that complete abolition of prison labor would never pass the legislature. As of 1840 mechanics were still protesting the system.²²

Despite its obvious weakness in terms of political pressure, the trade-union movement was rapidly maturing by 1835. Most workers were not unionized, however, particularly those in factory and unskilled day labor. The number of union members has been estimated as high as 300,000, but historians today consider that it was probably much smaller. Nevertheless, both major parties were interested in cultivating the labor vote. Leadership of the New York City General Trades' Union included Whigs as well as Democrats.²³

At the 1834 National Trades' Union convention, delegate Robert Townsend, Jr. resolved that the convention express its views regarding the "political conditions of the laboring classes of the country." Debate over use of the word "political" showed that majority opinion opposed any active involvement in politics.

²²Ibid., April 28, 30, May 9, 1835; Working Man's Advocate, March 7, 1835; Albany Argus, July 30, 1835, citing the National Trades' Union; Albany Evening Journal, December 30, 1840.

²³George R. Taylor, The Transportation Revolution (New York, 1951), pp. 250-254; Maurice Neufeld, "Realms of Thought and Organized Labor in the Age of Jackson," Labor History, X (Winter, 1969), 9, 11; Frederick Seward, ed., Autobiography and Life and Letters of William H. Seward (New York, 1891), p. 238; Walter Hugins, "Ely Moore: The Case History of a Jacksonian Labor Leader," Political Science Quarterly, LXV (March, 1950), 114n.

Labor should concentrate on maintaining wages and reducing hours. Townsend thought that many of the evils afflicting the laboring class stemmed from bad legislation and must be remedied by political means, although "Jacksonism" and "Clayism" should be avoided.²⁴

In general the trade union movement did not deviate from middle class devotion to property and free enterprise. A skilled worker still could speak of setting a price on his labor rather than of accepting wages, the former indicating positive independence—the latter showing negativism and dependence. Unions were necessary "in a country where property is held sacred. . ." to help obtain it.²⁵

Some labor leaders, however, were authentic rebels. Seth Luther wandered around the Northeast attacking the plight of factory workers and demanding the ten-hour day. A vociferous critic of the abuses of capitalism, he still had faith in private property and the ballot box. Luther denounced nationalism (meaning pride in an increase of national wealth and power) as a capitalist weapon used to hoodwink the lower classes. England's glory was built upon the misery of the poor; factories were the price of such glory. Politicians who made such glowing reports on the factories had not been shown the dark side of

²⁴Working Man's Advocate, September 13, 1834; John Commons and associates, eds., A Documentary History of American Industrial Society (New York, 1910), VI, 220. Robert Townsend, Jr. later became a prominent Locofoco.

²⁵New York Democrat, March 15, 1836; New York Union, April 26, 1836.

such an existence.²⁶

Chairmaker John Commerford considered it unfortunate that the United States "from a mistaken policy has become a competitor with England in the manufacturing system." John Ferral of Philadelphia thought the remedy ultimately lay in popular control of the economic system. Frederick Robinson of Massachusetts held a modified belief in natural law but felt that the positive state should intervene to regulate factory conditions and provide public aid to dependent children, widows, and orphans. He, too, put ultimate faith in the ballot box.²⁷

Commerford probably made the most significant statement by a labor leader prior to the collapse of the trade-union movement in 1837. Addressing his New York City comrades in 1835, he stated that it was useless to argue about the justness of combinations in the economic world; labor had to combine to protect itself. Natural law could still hold a place within this expedient kind of thought if one realized that the unequal distribution of wealth was the result of human design

²⁶Louis Hartz, "Seth Luther: The Story of a Working-Class Rebel," New England Quarterly, XIII (September, 1940), 406, 410-412; extracts from Seth Luther's "An Address to the Working Men of New England," Working Man's Advocate, February 23, March 2, 1833. Luther was involved in Locofoco activities in 1837. For an American politician's ambivalent view of industrial capitalism, see Willie Mangum to Charity Mangum, September 13, 1834, Henry Shanks, ed., The Papers of Willie P. Mangum (Raleigh, 1952), II, 201. Mangum wrote of a visit to Lowell where the great accumulation of capital awed him, but the unhealthy and unhappy appearances of the girls was disturbing.

²⁷Commons, ed., Documentary History, VI, 221-224; Joseph Blau, ed., "Frederick Robinson," Social Theories of Jacksonian Democracy (New York, 1947), pp. 338-342.

and not chance. Commerford knew that mechanization could not be avoided, but the social excesses it inspired could be. Technological unemployment should be considered by government when it issued patents. The state should accept responsibility for the displaced worker until he found equally lucrative employment. Eventually mechanization would serve the working class when the capitalists lost control of the machinery, and it was utilized to benefit the masses instead of the few. Government would then become the legitimate guardian of technology. Surplus labor was a problem that needed immediate attention, and the public lands could be used to solve it. Graduation (reducing the prices of inferior public lands) was the policy that would most aid the workers. Lastly Commerford noted that paper money aided in the unequal distribution of property.²⁸

Labor unrest increased during the inflationary period of 1835-1836; the number of strikes, mostly aggressive in nature, multiplied.²⁹ Some attacked Henry Clay's American System as the personification of exploiting capitalism; other radicals were willing to support tariff duties.³⁰ Mechanization

²⁸Address to the General Trades' Union, Working Man's Advocate, September 19, 1835. In the 1840s Commerford was active with George Evans in the National Reform movement which aimed at free homesteads for settlers. Commerford to Andrew Jackson, April, 1844, Andrew Jackson Papers, Library of Congress, on microfilm, North Texas State University.

²⁹Commons, History of Labor, I, 382. Real wages were declining because of rapidly rising prices and rents in the cities. Evening Post, June 13, 1835.

³⁰Working Man's Advocate, September 20, 1834; Hartz, "Seth Luther," p. 417. Certainly it was difficult for a dedicated

undermined the apprentice system in many trades, making the lives of skilled workers more insecure. Still there were mechanics who would celebrate and display their work at the opening of a new canal.³¹ These were the working men content with the times and progress.

New York City antimonopolists not active in organized labor took basically the same attitude toward trade unions. Leggett said he was opposed to the principle because unions tended to regulate prices and limit freedom of trade, but of the various types of combinations, unions were the most easily justified. They should concentrate on opposition to wages paid in depreciated paper. Theodore Sedgwick, Jr. defended unions, and George Evans said they were necessary as long as the surplus labor problem existed.³² The New York Journal of Commerce probably expressed the view of many middle-class moderates. Unions were as worthy as any other combination: "a partnership in which some put in capital and others bankruptcy, yet all are to take out and share alike."³³ Acceptance of the concept of collective action endemic in unionism might influence the

labor champion to advocate free trade when economic dislocations might result from ending protection.

³¹See the Washington Globe, March 22, June 6, 1835, Baltimore Niles' Register, November 26, 1836, for the problems of printers in the nation's capital concerning apprenticeship, primarily with Duff Green; Seward, Life and Letters, p. 294.

³²Evening Post, May 1, 1835; Blau, ed., "William Leggett," Social Theories, pp. 81-82; Nevins, Evening Post, p. 164; Working Man's Advocate, May 9, 1835.

³³Commons, ed., Documentary History, V, 210.

political ideas of thoughtful members.

Varying degrees of fervor toward the concept of benevolent natural law and its ideological corollary, negative government, characterized the antimonopoly movement. Those most concerned with relieving burdens on the lower classes tended to have less faith in those two ideas. Still the divergent opponents of the undesirable results of "monopoly" could unite in opposition to the existing status quo which was preserved as much by Democrats as by "aristocratic" Whigs.

CHAPTER II

THE LOCOFOCO REACTION

When one examines the grievances and goals of labor in the Jacksonian America of 1835, depreciated money and inflated prices emerge as the primary problems. Monetary instability is a harmful situation to all social and economic groups, but, as Leggett pointed out, the weight of paper depreciation fell ultimately on the wage earners.¹ Also, many workers, looking back to a golden age of independent craftsmen, believed that the existing credit system actually kept workmen from becoming self-employed masters. One "journeyman mechanic" wrote that a successful assault on the credit system would bring contraction, but that it was a hardship that would be necessary in order to "free ourselves."² Later it would appear that few were willing to shoulder the required burden.

One hard-money theorist in particular became the spokesman for opponents of paper money. William Gouge was the author of A Short History of Paper Money and Banking in the United States,

¹Leggett, Writings, I, 227. Economy-minded employers sometimes purchased depreciated notes at the market price and used them to pay wages, with the workers expected to take the notes at face value. Such paper was difficult to negotiate and could only be exchanged for sound currency at a discount. Douglas Miller, Jacksonian Aristocracy: Class and Democracy in New York, 1830-1860 (New York, 1967), p. 38; Working Man's Advocate, August 30, 1834. Also, depreciated paper resulted in inflated prices.

²Ibid., April 26, 1834.

one of several contemporary works hawked by George Evans through his newspapers.³ Gouge was a financial journalist, employee of the Treasury Department during Democratic administrations, and occasional advisor to Thomas H. Benton and Martin Van Buren. Gouge proposed a hard-money policy as a total alternative to the Hamiltonian system. He believed that the claims of the honest capitalist and laborer should rest in equality upon the same base--natural economic law, freely functioning under competitive conditions. However, in the United States, incorporated banks allowed to issue currency undermined the natural distribution of wealth. According to Gouge, the required convertibility of paper into specie on demand put limits on indefinite credit expansion, but contraction was always necessary to keep paper convertible. This elasticity was the central defect, and a cycle of inflation and contraction was inevitable. Wages were the last item to increase during an inflationary spiral.⁴

In place of incorporated banks, Gouge recommended private banking as practiced in Europe. He opposed a national bank on constitutional grounds and also because it would share in the inflationary tendencies of state banks. Specie-based credit

³See ibid., January 10, 1835, for Evans recommended good reading: Seth Luther's "Address," and an economic work by later Locofoco Clinton Roosevelt. Evans praised Gouge highly. Ibid., March 15, September 13, 1834.

⁴Joseph Dorfman, introduction to William Gouge, A Short History of Paper Money and Banking in the United States, 2 parts (New York, 1833), p. 7; Arthur M. Schlesinger, Jr., The Age of Jackson (Boston, 1945), p. 119; Gouge, Short History of Paper Money, I, 91, 2, 30, 26-27.

was beneficial but no genuine national gains resulted from the paper system. In fact, paper stimulated moral degeneration, only benefited speculators, and widened the gulf between rich and poor. Gouge's remedy was a gradual removal of notes from circulation, a process that might take twenty years. If the states were recalcitrant, then the national government might accomplish reform by demanding payments in specie and by breaking off official relationships with banks.⁵

Many people opposed such a program. The borrowers most interested in easy credit were merchants, speculators, and enterprisers. To avid hard-money men, easy credit was an evil innovation that lured industrious citizens to abandon productive activities and indulge in speculation. It was often true "that banks never originate with those who have money to lend, but with those who wish to borrow." Gouge condemned the "hocus-pocus" methods by which banks were formed on little capital. Banks established to provide credit to an expanding business community received the major blame for price disturbances caused by expansion.⁶

Reformers attacked the economic status quo for quite different reasons. Some wished to make capitalism more democratic

⁵Ibid., I, 49; Dorfman's introduction to ibid., p. 16; ibid., I, 137, 31, 125-126, 138, 113, II, 218.

⁶B. Hammond, Banks and Politics, p. ix; Condy Raguett, A Treatise on Currency and Banking, 2nd ed. (New York, 1840), p. 135; Leggett, Writings, II, 87; Taylor, Transportation Revolution, pp. 311-312, quoting Amasa Walker; Gouge, Short History of Paper Money, I, 71; Harry E. Miller, Banking Theories in the United States Before 1860 (Cambridge, 1927), p. 57.

by breaking down mercantilist privilege and controls; others wished to stem an already expanding tide of capitalist exploitation and instability. "The corporation was the most potent single instrument which the law put at the disposal of private decision makers."⁷ Originally states had only granted corporate privileges when a definite public service was involved. Proof of utility had declined in importance, but the old view was still strong. In 1835 the New York Attorney General said that "there is an admixture of evil in almost every grant of corporate privileges." If "individual enterprise" could accomplish an objective, it was essential that the relative amount of financial and legal immunity that went with incorporation not be granted. This was the defense for special incorporations and the argument against general laws. Still, corporations were necessary "for the rapid and full development of the resources of the State. . . ."⁸ An expanding sense of economic opportunity certainly played a major role in the agitation for general laws. How reformers viewed the concept of incorporation provides a gauge for determining the nature of their radicalism.

Theodore Sedgwick, Jr., who wrote in the Post under the name of "Veto," believed that there was nothing vicious about a

⁷Hurst, Law and the Conditions of Freedom, p. 15. Contemporary economist Daniel Raymond noted that the very object of incorporation was to produce inequality. Taylor, Transportation Revolution, p. 242.

⁸George H. Evans, Jr., Business Incorporations in the United States, 1800-1943 (Baltimore, 1948), p. 21; New York Senate Documents, No. 4, "Report of the Attorney General on the Creation of Corporations," I (1835), 9-11.

corporation except its exclusive origin. He approved of limited liability. If the means of gaining property were made equal, then class antagonisms would happily disappear. A writer calling himself "Anti-monopoly" answered this by asking "Of what use is a special or general law of incorporation to a poor man?" The privileges any corporation had were evil.⁹ Evans had similar views, and Gouge felt that the existence of monied corporations was incompatible with the principle of equal rights. Their privileged status was feudal in nature. Leggett approved of "joint-stock partnerships," allowed no special privileges, as the proper mode for collective private enterprise.¹⁰

Regarding the banking structure of New York, Sedgwick called it "a clog upon the industry of the country. . . ." Free banking (a general incorporation law with equal requirements and privileges for all) was the panacea, and small notes need not be prohibited because that benevolent regulator, competition, would guard against derangement. However, Leggett hoped free banking would not come until notes under twenty dollars had been removed from circulation.¹¹

⁹Blau, ed., "Theodore Sedgwick, Jr.," Social Theories, pp. 222-224, 234; Working Man's Advocate, October 24, 1835.

¹⁰Ibid., January 3, 10, 1835; Gouge, Short History of Paper Money, I, 41-42, 44; Hugins, Jacksonian Democracy and the Working Class, p. 88; Evening Post, July 30, 1835.

¹¹Blau, ed., "Theodore Sedgwick, Jr.," Social Theories, pp. 231, 229, 232-233; Evening Post, December 7, 1835; Leggett, Writings, I, 144, 198. Free-trader James Cox argued that free banking would not prevent over-issues. Only unlimited liability would do that. Raguet, Currency and Banking, appendix, pp. 279-281.

Objections to corporations did not always stem from small businessmen or theoretical liberals. They sometimes originated in the frustrations of various worker groups—men angry because means were put "into the hands of inexperienced capitalists" to undermine the employment of that "which we consider ought to be our exclusive privilege to enjoy." Teamsters put free-trade signs on their wagons when they felt their livelihood threatened by a coming railroad.¹²

Similarly, opposition existed to the eminent domain rights granted to incorporated railroads. Some asked, "If a railroad is to be constructed ought not the state possess it?" Angry urban citizens resisted a chartered railroad that laid an unwanted track down a certain street in Philadelphia. In its most virulent phase, hatred of the corporation took the form of dire predictions of workers completely subjected to corporate masters. Much of the popularity of the attack on Biddle's bank had resulted from its being seen "as a symbol of corporate power." One Jacksonian thought that corporations formed a political party of their own which was not specifically identifiable with the two major parties.¹³

¹²Oscar and Mary Handlin, Commonwealth, A Study of the Role of Government in the American Economy; Massachusetts, 1774-1861 (New York, 1947), appendix, p. 282; Edward and Waldo Emerson, eds., The Journals of Ralph Waldo Emerson (Boston and New York, 1911), V, 255.

¹³Democrat, April 12, 1836; Working Man's Advocate, August 29, 1835, citing the Hartford Times; Niles' Register, March 21, 1840; Globe, April 18, 1835, citing the Boston Morning Post; M. Meyers, Jacksonian Persuasion, p. 79; Luther Hamilton, ed., Memoirs, Speeches and Writings of Robert Rantoul, Jr. (Boston, 1854), p. 316.

Further insight into the heterogeneous nature of the antimonopoly movement can be gained by noting various attitudes toward private enterprise being used for public purposes. Sedgwick represented one extreme, arguing that ferries and bridges should be built only by those who owned adjacent property. Evans thought such works "should in all cases, be made by the public." Indeed it was wrong for government to turn its duties over as privileges to private individuals. John Vethake agreed that improvements "should all be paid for out of the common purse for the common benefit of all." Projects national in nature should be built by the federal government. Leggett advised doing without the benefits of improvements if equal rights suffered, but he praised the Erie Canal because it was the work "of the great body politic acting through its representatives."¹⁴

Occasional public enterprise was not at all unusual at this time. There were other aspects to the positive state, however, than economic endeavors. In Massachusetts state regulation was important in the continuing social struggle against privilege. More significant still, those who defended privilege could not logically deny the right of the positive state, and those who opposed the active state found that it was needed to initiate reform. A study of Pennsylvania in the pre-Civil War period finds an inevitable linkage between anti-charter attitudes

¹⁴Working Man's Advocate, January 3, 10, 1835; Blau, ed., "John Vethake," Social Theories, p. 217; Leggett, Writings, II, 137, I, 169.

and advocacy of public enterprise. Workers fused opposition to charters with demands for protection by the positive state. The natural-law, natural-rights base upon which democratic theory rested certainly led to a nineteenth-century reinforcement of property rights. Also, it could lead to regulation and prohibitory legislation. As Louis Hartz has declared: "there was more than a single route to the concept of positive government."¹⁵

When "Anti-monopoly" answered "Veto" with rigid opposition to any semblance of corporate privilege, he proposed that Congress pass a law prohibiting all banks from issuing notes as a circulating medium.¹⁶ Reformers frequently spoke in the mode of laissez-faire ideology, but it was clear to many that significant reform could only come about through action by the positive state. The negative-government, free-individual ideal might be the ultimate goal, but state action was needed to get there.

William Leggett never advocated state action. He mistrusted all governments and valued individual liberty most highly. Those qualities led him to a confrontation with the Democratic administration in Washington. Leggett had consistently complained that there were "too many aristocrats" in the "Democracy." Then in 1835 he criticized Postmaster General Amos Kendall for sanctioning the censorship of "incendiary"

¹⁵Handlin, Commonwealth, p. 246; Louis Hartz, Economic Policy and Democratic Thought: Pennsylvania, 1776-1860 (Cambridge, 1948), pp. 140, 171-172, 195, 306-307.

¹⁶Working Man's Advocate, October 24, 1835.

material in southern post offices and denounced "two-penny postmasters" who gave more loyalty to their communities than to the law. Leggett agreed that abolitionists were fanatics but insisted that their constitutional rights be respected. The Albany Regency had explicitly declared its disapproval of abolitionism. The Globe, an administration organ edited by Francis P. Blair, now launched a vicious attack on Leggett and suddenly discovered that he had been promoting "agrarianism." The editor "was inclined to legislate altogether upon abstractions, and allow the business of the world and the state of society to have nothing to do with it." Other "ultraists" thought the administration actually disliked Leggett's attitude toward banks more than his "abolitionism."¹⁷

Leggett explained that his radicalism encompassed a firm belief in "the universal political equality of mankind, the intelligence and integrity of the great mass of the people, and the absolute right of a majority to govern. . . ." A correspondent wrote to Evans arguing that even if the charges were true, it was yet to be proved that agrarianism and abolitionism were contrary to democratic principles. Indeed the Globe and Argus were Whiggish and conservative.¹⁸ In November of 1835

¹⁷Leggett, Writings, I, 197, II, 19, 9-10; Albany Argus, September 5, 1835; Globe, September 18, 1835; Fitzwilliam Byrdsall, The History of the Loco-Foco or Equal Rights Party (New York, 1842), p. 19. Extremist Leggett noted that Blair had never complained about his economic views before. Leggett, Writings, II, 73-74.

¹⁸Evening Post, September 19, 1835; Working Man's Advocate, October 10, 1835. Evans disagreed with the writer, probably because of a dislike of abolitionism.

Tammany Hall resolved that the old wigwam would have no further connection with the Post.¹⁹ The paper lost all of its lucrative government business. Leggett fell seriously ill in October, and the Post grew more conservative after his incapacitation.²⁰

At the time of Leggett's excommunication, a split was imminent within the New York City Democratic party. It had been a possibility for some time. The antimonopolists were active throughout 1834 and 1835 extracting pledges from prospective legislators and on occasion disrupted conservative meetings. Whigs thought that insubordination was much too prevalent. Certainly the inflationary rise in prices served to increase the animosity of the radicals. With real wages declining and those on fixed incomes suffering, the existing monetary structure clearly did not provide the greatest good to the greatest number.²¹

The issue of pledges by candidates served to alienate the antimonopolists further. The conservative wing of the Democratic party differentiated between "pledges," which were conceived as binding, and "instruction," which did not restrict

¹⁹Democratic Review, VI (November, 1839), 443. The resolution was expunged in 1839.

²⁰Nevins, Evening Post, pp. 152-153; Working Man's Advocate, January 16, 1836.

²¹Allan Nevins, ed., The Diary of Philip Hone (New York, 1927), I, 113, 168; Evening Post, May 11, June 13, 1835. The "greatest good to the greatest number" slogan of the antimonopolists was their answer to the concept of "common good" or "general welfare" which they regarded as a "Tory" concept. Ibid., October 21, 1835.

a legislator. Extracting a pledge insulted the honest politician. City Democratic ward organizations supported the conservative position; "faction and disorganization" were defeated. Tammany nominated some candidates for the autumn state election whom the antimonopolists considered proven pledge breakers and "notorious bankites." They also complained about the nominating method used by Tammany Democrats. Evans advised the radicals to choose substitutes for the traitors who would promise to oppose bank charters and eradicate paper money.²²

Antimonopolists felt that commercial-minded conservatives controlled the Democratic party. The Argus significantly failed to print the more radical statements of men like Thomas H. Benton and Churchill C. Cambreleng, a New York congressman. The rebellious faction now became more bold in their opposition. In October, 1835, 300 admirers honored equal-rights hero Richard M. Johnson with a dinner at which verbal attacks were made on "banks, banking, and paper money." Cambreleng said that any elected man who refused to make a pledge to his constituents was a Federalist and not a Democrat. Earlier that year Cambreleng had demanded that the states do their duty in the great hard-money crusade.²³

²²Albany Argus, October 20, 1835; Working Man's Advocate, October 24, 1835. A nominating committee consisting of seventy men from the city wards selected candidates, and a general meeting could approve or reject the slate. J. Hammond, History of Political Parties, II, 490.

²³Hugins, Jacksonian Democracy and the Working Class, p. 37; Evening Post, September 17, 1835; Byrdsall, Loco-foco Party, pp. 14-20; Working Man's Advocate, October 10, 1835; Register

The county meeting, which would reject or approve the nominees chosen for the state election, met on October 29. There the famous insurrection occurred in protest against five unacceptable candidates. The antimonopolists outnumbered the party conservatives that night, and the old guard retreated when ex-Workingman Joel Curtis replaced Isaac Varian in the chair. On the way out they turned off the gas and plunged the hall into darkness. The forewarned insurgents utilized the new "locofoco" friction matches to light candles. Enemies soon gave the radicals the nickname of locofoco.²⁴ The Locofocos accepted the name and interpreted it to mean "ready fire," and no doubt they hoped to make things warm for the Tammany regulars.²⁵

At this meeting the Locofocos adopted a set of resolutions denouncing social distinctions, state banks, monopolies, laws that infringed upon equal rights, and paper money. They pledged support to Jackson, the Post, and strict construction. Perhaps significantly, they declared that a president should only serve one term. Presidents and senators should be elected directly by the voters. Majority rule and short terms of office should be the political rule, reinforced by the right of

of Debates, 23rd Cong., 2nd Sess., pp. 1308-1315. Cambreleng opposed the restraining law, advocated new bank competition to reduce interest rates, and predicted that the party would inevitably split over the banking question. Cambreleng to Van Buren, November 2, 1835, Van Buren Papers.

²⁴Byrdsall, Loco-Foco Party, pp. 21-28; Evening Post, October 30, 1835. See Niles' Register, November 7, 1835, for a variety of colorful accounts of the melee.

²⁵Democrat, April 14, 1836.

instruction.²⁶

Evans was proud that his advice had been taken. The equal-rights slate, formed less than a week before the November election, received 4000 votes, but Tammany successfully ran its regular ticket. Whigs and Democrats alike had immediately abused the Locofocos with the usual "agrarian" shibboleths. Conservatives singled out John Windt, "a member of all the tag-rag factions of the last ten years. . .," and John Vethake, once an Antimason, for particular attention. The regular Democrats excluded the rebels from further use of Tammany Hall.²⁷

The original intention of the Locofoco faction was to reform the local Democratic party from within. Leggett opposed any separate organization, but the Locofocos decided to form a distinct party after it became apparent that this was the only means for success. An exodus of antimonopolists who opposed separation returned to Tammany.²⁸

The Locofocos drafted a declaration of principles including abstractions about the only purpose of law being to enforce the "natural rights and duties" of citizens. More concretely, they declared that state governments had violated the

²⁶Byrdsall, Loco-Foco Party, p. 27. See ibid., pp. 16-17 for a list of the original insurgents who included trade unionists, office holders, and professional men.

²⁷Working Man's Advocate, October 31, November 7, 1835; Byrdsall, Loco-Foco Party, p. 30; Evening Post, November 28, 1835; Albany Argus, November 2, 4, 1835; Evening Post, October 31, 1835; Niles' Register, November 28, 1835, citing the Evening Post.

²⁸Byrdsall, Loco-Foco Party, pp. 22-23, 34, 37, 31.

United States Constitution by allowing bank notes to be issued and suggested that newly-elected legislatures repeal previous acts of incorporation. An old Workingmen's haven, the Military and Civic Hotel, became Locofoco headquarters.²⁹

With Leggett ill and Evans leaving town because urban life disgusted him, the new party decided to publish its own newspaper. Trade-unionist John Windt and Clinton Roosevelt became publisher and editor of the Democrat. The paper promised to uphold the principles of Jefferson and Jackson and to support Van Buren. It noted the concurrent establishment of the Union, edited by Locofoco John Commerford, by the General Trades' Union of New York City. The new paper was a cooperative effort by several unions and pledged to avoid party politics.³⁰ The Democrat said there was little difference between the two papers regarding principles, but that "the evils complained of, having been produced by legislation, will also have to be cured by legislation, and therefore a 'political party' seems absolutely necessary."³¹

The Locofocos prepared for the spring city charter election by making a strong appeal to the labor vote. Mayorial candidate

²⁹Ibid., pp. 39-43, 45. Evans had said that the value of annual elections was undermined if new legislatures could not touch the charters. Working Man's Advocate, February 21, 1835.

³⁰Byrdsall, Loco-Foco Party, p. 48; Commons, ed., Documentary History, V, 291-293, 284. Levi Slamm, who became one of the most active of Locofocos, was involved in the creation of the Union.

³¹Democrat, March 9, 1836.

Alexander Ming, Jr., son of an old Workingman, sought worker support as the Locofocos emphasized the adverse effects of inflation on real wages and entreated the trade unions to join in the war on monopolies. The Locofocos reminded workers that the Democratic incumbent, Mayor Cornelius Lawrence, had broken up a confrontation between police and striking stevedores by quickly calling out the militia. The Democrat said that it was understandable that workers took "improper measures" to secure justice. The property of the rich aristocrats went untaxed while the poor had to pay. "Come, poor man—to the rescue!" was the plea of a definitely class-oriented campaign.³² Lawrence won the contest with a 5800 majority, and Ming received 2700 votes.³³ The Globe was pleased with the result because Lawrence was "a most zealous, uncompromising friend of Mr. Van Buren. . .," and pointed out that the splinter group in New York City wanted instant and radical action against

³²Ibid., March 31, April 12, March 18, April 2, March 10, 14, April 11, March 9, 10, 1836. Lawrence was one of many prominent New York Democrats involved in speculation and banks. He made his fortune in the licensed auction business just as had the hated Whig conservative, Philip Hone. Moses Beach, The Wealth and Biography of the Wealthy Citizens of the City of New York, 12th ed. (New York, 1855), p. 45.

³³Union, April 21, 1836. The Locofocos (or "Equal Rights Democrats" as they often called themselves) later claimed to have numbered around 1600 late in 1835 and 5000 by 1837. Equal Rights Democrats to Andrew Jackson, October 3, 1837, Jackson Papers. Locofoco candidates who did not receive support from any other local party received an average vote of 1578 in 1836. Carl Degler, "An Inquiry into the Locofoco Party," unpublished master's thesis, Department of Political Science, Columbia University, New York, 1947, p. 62. Clearly many members of the working class did not flock to the Locofoco standard. Total votes in the city ranged between 30,000 and 40,000.

banks and monopolies while prudent Democrats desired a gradual approach. The Globe considered it only a local schism, but similar factions, the "legitimate fruit of Jacksonism," were reportedly rising throughout the state. A year later conservatives said that a dangerous "spirit of radicalism" was afoot, and the Democratic party was in grave danger.³⁴

Shortly after the election many New York City Democrats began to see virtue in one antimonopoly demand--repeal of the restraining law which prohibited banking without a special charter grant. Increased demand for that reform resulted from a tightened money market. Members of all political parties could share in the desire for lower interest rates. Delegates at a mass meeting at Tammany Hall sent a petition to the Albany legislature to which the names of Leggett, Ming, and Haskell were added. The Locofocos said that shifting opinions regarding the banking system would not persuade them to rejoin the Democrats. Theoretically an important part of the Locofoco attitude toward the state banks rested on a belief in conspiracy which held that concerted action by incorporated banks would give them an unhealthy political and economic power. The banks served in part as symbol of a vague dissatisfaction with the materialistic reality of American life. Dr. Moses Jaques called the banking system the "Pandora's box of all our ills."³⁵

³⁴Globe, April 21, 1836; Democrat, April 26, 1836, citing the Poughkeepsie Eagle; Boston Morning Post, February 14, 1837, citing the Utica Observer.

³⁵Union, April 25, 30, 1836; Evening Post, April 26, September 19, 1836; Democrat, April 22, 27, 30, 7, March 18, 1836.

A good deal of such talk was political rhetoric and obscured more basic differences in attitude toward "monopolies." Animosity to circulating paper and acceptance of the need for contraction was the crucial test of radicalism. Mere repeal of the restraining law and "free banking" could be the objective of men who aimed at invigorated credit facilities as well as of those who primarily desired a non-depreciated currency and a stabilized economy.

The vigorous use of natural-law rationales submerged the differences between radical critics of the social order and those who only protested exclusiveness within the order. The Locofoco movement itself reflected this basic difference. For example, physicians who opposed the state licensing policy adhered to the doctrine that proposed equal rights and maximum liberty in economic life. Some professionals and small businessmen were in the radical ranks, and certainly this was an important part of the Locofoco phenomenon.³⁶

The radical aspect of Locofocoism owed more to the trade unions and George Evans than to the laissez-faire dogma which proposed that all governmental connections with economic life be removed. Locofocoism was not based so much on the hopeful promises of a benevolent natural law insured by a negatively neutral government as it was on an incipient belief that the

³⁶Leggett, Writings, II, 332; Democrat, April 26, 1836. See Leo Hershkowitz, "The Loco-Foco Party of New York: Its Origins and Career, 1835-1837," New-York Historical Society Quarterly, XLIV (July, 1962), 329.

welfare of the masses should be secured by government intervention. This urban-based thinking was more likely to justify strikes for higher wages and to expect the government to construct facilities that served public purposes. Similarly it tended to take a more relativistic view toward property rights. This was first reflected in the idea that a popularly-elected legislature could rightfully attack any corporation charter previously granted.³⁷ Rigid free-trade theory, while useful as political rhetoric when legally granted privilege was the target, was not of ultimate importance to the dominant tone of Locofocoism.

Clinton Roosevelt restated the views that he had published in 1833 under the title The Mode of Protecting Domestic Industry by Operating on the Currency. He pointed out that it was necessary to protect American industry and an inflated currency undermined the tariff wall. Many Locofocos accepted this view and repudiated free trade as an ideal system of international commerce.³⁸

³⁷Union, April 21, 1836; Democrat, March 16, April 21, May 10, March 22, 1836.

³⁸Ibid., April 29, May 4, 6, 1836. Clinton Roosevelt was the fourth cousin, once removed, of Theodore Roosevelt, and the fourth cousin, twice removed of Franklin Delano Roosevelt. He was born in the year of the Louisiana Purchase and died at the age of ninety-five in the year of the Spanish-American War, a life span that encompassed the origins and maturation of American industrial development. A lawyer who left a million dollar estate, Roosevelt was part of a long tradition of patrician reformers, more radical than most. This information was obtained through personal correspondence from the librarian of the New York Historical Society which included genealogical information and a sampling of obituaries.

Locofocoism was more attuned to expedient needs that often transcended certain doctrinal beliefs commonly attributed to Jacksonian Democrats. Early in 1837, when the economic repercussions of monetary dislocation had become obvious, the Locofocos petitioned Congress to pass a law compelling banks to withdraw their notes from circulation and forbidding them to issue more. They called on the national government to act and remedy a problem which the states would not correct.³⁹ Most Whig and Democratic politicians denied that Congress had such power. Prohibitory legislation is as much an attribute of the positive state as the fostering of economic development.

At about the same time that the Locofocos sent the petition, the Supreme Court ruled on the case of Briscoe vs. the Bank of the Commonwealth of Kentucky, which concerned the right of state banks to issue notes. The majority of the court held that there was no specific limitation on the states under the United States Constitution, and the doctrine that bank notes were illegal "is startling, as it strikes a fatal blow against the state banks. . . ." Associate Justice Joseph Story, who considered himself to be carrying on the work of John Marshall, dissented. Story dissented because the Kentucky bank had been state owned; he did not deny that private corporations could issue notes which circulated as currency. However, he said

³⁹Senate Documents, 24th Cong., 2nd Sess., no. 203. The petition had fifty signatures including those of Jaques, Windt, Haskell, Slamm, and recording secretary of the party, Fitzwilliam Byrdsall.

that the bank notes were "subject always to the control of congress, whose powers extend to the entire regulation of the currency of the country." The irony was that the Locofocos wanted Congress to utilize a power denied it by the Jacksonian-controlled court, while a "federalist" justice, attempting to carry on the tradition of Marshall, would theoretically allow Congress the authority to act as the Locofocos desired.⁴⁰

Differences in social attitudes between a Jacksonian leader such as Chief Justice Roger B. Taney and some of the class-conscious Locofocos can be indicated by the reactions to a case of mob violence in Baltimore. Taney's friend Reverdy Johnson was a successful lawyer who was counsel to a group of trustees appointed to administer the assets of a failed bank. Long delays in the litigation kept depositors from gaining satisfaction, and finally mobs burned the homes of Johnson and the trustees. A Locofoco organ termed the violence justifiable because it had been precipitated by "bank villainy and rag money rascality." Taney actively supported Johnson when the latter demanded an indemnity from the state because he had not been protected properly from mob violence, and apparently Andrew Jackson agreed with the position. Maryland awarded Johnson a \$41,000 indemnity.⁴¹

⁴⁰Briscoe vs. the Bank of the Commonwealth of Kentucky, 36 U. S., 317, 328, 340, 348-349 (1837).

⁴¹Bernard Steiner, The Life of Reverdy Johnson (Baltimore, 1914), pp. 11-13; Democrat, March 16, 1836; Roger Taney to Van Buren, March 7, 1836, Van Buren Papers; Samuel Tyler, Memoir of Roger Brooke Taney, LL. D. (Baltimore, 1872), p. 243. See F. S. Key (Taney's brother-in-law) to Taney, March 14, 1836, in ibid., p. 244, for views of Jackson.

Similar insights into the urban-oriented nature of Loco-focoism which conflicted with the opinions of many supporters of Andrew Jackson can be ascertained by a survey of opinion on the problems of poverty. In 1836 the Democrat noted that "the community is suffering in the midst of superabundance" By 1837 unemployment was a serious problem in New York City. Moses Jaques said that unequal laws caused poverty and the humane community should adequately provide for those who could not support themselves because of age or infirmity. Job Haskell demanded that state and city authorities relieve unemployment by hiring 5000 men on public works.⁴²

Differences of opinion existed between those who often spoke in terms of natural law over the efficacy of poor relief. Earlier George Evans had rejected the argument that public aid for indigents would be detrimental to society. He condemned municipal authorities for neglecting the destitute and attacked the view that poverty indicated moral failure. Samuel Young presented a different attitude in the New York Senate. Young was a Democrat who epitomized the free-trade radical, and was often at odds with the Regency over banks. He wished to see poor laws repealed and said that increasing taxation to support the poor was based on false principles because it violated natural law and the tenets of responsible individualism. Private charity could handle the problem, only the "bad" would

⁴²Democrat, March 30, 1836; Byrdsall, Loco-Foco Party, p. 139; New York Herald, May 4, 1837.

suffer, and human behavior in general would be elevated.⁴³

The same view expressed more tersely by a Democratic paper held that "the less was done for them the more they did for themselves." The worker oppressed by inflation or hard times was advised that everything eventually would work out for the best.⁴⁴

The Locofoco "ideology" was therefore a heterogeneous blend of thought ranging from laissez-faire, negative-government liberalism to more pragmatic, trade union-based thinking which was inclined at times to demand active relief from the state in the interests of an identifiable class. These conflicting concepts obviously could not co-exist in logical harmony. Natural law, natural rights, and expedient needs churned in a bourgeois maelstrom.

⁴³Working Man's Advocate, January 17, 1835; Albany Argus, February 4, 1835. See Working Man's Advocate, June 20, 1835, for views which support and condemn the ideas of Young.

⁴⁴Boston Morning Post, April 6, 1837, which gave Benjamin Franklin as the impeccable source for the attitude; Globe, February 1, 1837, citing the New York Sun. William Cullen Bryant was also a firm supporter of "self-sufficiency." Evening Post, May 11, 1838.

CHAPTER III

THE LAST DAYS OF THE LOCOFOCOS

The legislative session of 1836 proved unfruitful to New Yorkers of Locofoco sentiments. As usual Governor Marcy advised a prudent middle course. He recommended that corporate charters not be granted in areas where private individuals could adequately conduct business. He noted the inflationary results of the current speculating frenzy and advised against any increase in banking facilities. The state bank commissioners reported to the legislature that real capital was being absorbed into speculation and concluded that a credit system based on paper was necessary to provide for the normal needs of business.¹

With the money market tightening and illegally high interest rates prevailing, it was understandable that the usual efforts toward expansion continued. Already anyone who opposed them was stigmatized with the epithet of "Locofoco," and the easy-money supporters pointed out that those who opposed new banks advocated doctrines calculated to perpetuate existing monopoly. The "radicals" wanted new banks established outside of the Safety Fund system, but an attack on the restraining law led by Samuel Young failed. The Locofocos supported repeal of

¹Governor's message, Albany Argus, January 5, 1836; annual report of the bank commissioners, ibid., January 28, 1836.

the law with the qualification that only non-incorporated individuals might loan money without the note-issuing privilege. The reform would break the monopoly, but they emphasized that repeal would be only a small step in the right direction. Their ultimate aim was the opposite of those who wished the system of special charters overthrown in order to "liberate" credit: "We grant that a sudden scarcity of money is a great evil, but after a time things go on better with a small circulating capital. . . ." ²

Tremendous demands were made on the legislature for increases in the banking capital authorized by previous incorporations and for new bank charters. The legislature chartered twelve new banks, that being a dozen too many for the Locofocos and the New York City General Trades' Union. Antimonopoly attitudes provoked other responses. A remonstrance from Orange County signed "from the loco focos" opposed a pending state loan to the latest example of New York progress, the proposed New York-Erie railroad. Some with Locofoco inclinations declared that the country would be better off without railroads. A dissenting voice from Albany noted that matters such as poor working conditions in factories and child labor needed to be acted upon if the legislators could "spare time from their ardent attention to the business wants of the lobby. . . ." ³

²Democrat, April 16, 1836; Albany Argus, March 25, 1836; Democrat, April 23, 18, 1836.

³Robert E. Chaddock, The Safety Fund Banking System in

When the session ended a record number of acts had been passed but few of them had been of a public nature. A few of the leading Democrats were as dissatisfied with the legislature as the Locofocos. John Dix observed that the log-rolling session had increased banking capital, and worse, the state debt. He said that "if we cannot get a different class of men into the legislature, the sooner we go into a minority the better." Politics in the state seemed characterized by a policy of buying counties through the financing of local projects. A public feeling of animosity was being aroused by the evident corruption.⁴

Labor became aroused in 1836, but this situation largely resulted from two anti-labor trials. An apparent counter-offensive by employers, aided by the state courts, served to push the General Trades' Union and the Locofocos into an alliance aimed at establishing a new state party. Journeymen shoe-makers and tailors were convicted of conspiracy. In both cases the court instructed the jury that the mere combination of workers to raise wages was indictable.⁵

New York, 1829-1866 (Washington, 1910), pp. 282-283; Democrat, May 2, 1836; Union, May 30, 1836; Albany Argus, March 9, 1836; Evening Post, November 18, 1836; Democrat, March 15, 1836.

⁴Albany Argus, May 26, 1836; John A. Dix to Van Buren, June 7, 1836, Azariah C. Flagg to Van Buren, May 27, 1836, Van Buren Papers.

⁵See the Democrat, March 10, 1836, for the shoe-makers case, and the Albany Argus, March 14, 1836, for interesting conservative approval of the presiding judge's opinion which was based on the magic phrase, "competition is the life of

The master tailors had agreed not to hire any union members while the journeymen trade unionists were equally adamant in supporting the closed shop. A reduction in wages precipitated a strike in New York City, and twenty journeymen were indicted on conspiracy charges. Judge Ogden Edwards became the villain when the convicted conspirators received fines ranging from \$50 to \$150. Many workers thought the judge incorrect when he said that all workers could eventually become employers and therefore unions were not necessary. Edwards was hanged in effigy, and the Union savagely attacked both Whigs and Democrats, saying that "the laws are only made to protect the rich!" At a large protest meeting held in the city park the Locofocos upheld the labor point of view. The union spokesmen advocated political action and proposed that a state convention be held at Utica, New York, to organize a separate party. The Locofocos were eager to cooperate. They had already planned to hold a state convention but decided to join the proposed meeting at Utica. After this the Locofocos demanded repeal of the state laws that enforced legal attacks on union activity, and also advocated popular election of judges for short terms.⁶

Although extreme conservatives supported the suppression

trade." Editor Crosswell agreed that society would suffer if wages were not subject to strict market regulation, and he hoped that future union activity would be restrained by the convictions.

⁶Union, May 27, 28, 30, 31, June 1, 2, 11, 14, 15, 17, 1836; Byrdsall, Loco-Foco Party, pp. 54-56.

of unions because they were instigated "by a vile set of foreigners," a more typical response seemed to be that combinations to raise wages were acceptable as long as no compulsion or violence was involved. Still, some pointed out that strikes only contributed to the inflation. Union animosity against Tammany Hall stemmed in part from the refusal of the party "wirepullers" to allow workers to use the "old wigwam" for protest meetings. It is significant that union notices concerning the journeymen tailors' affair were published primarily in Whig newspapers. Pro-Democratic papers nevertheless continued to claim that all workers supported the Democracy.⁷

One Democrat who appeared to be supported both by labor and the Locofocos was Ely Moore. They approved of his maiden speech in the House of Representatives given in April of 1836. When South Carolinian Waddy Thompson maligned northern mechanics, Moore awaited the opportunity to retaliate. Although feeling ill he rose and defended unionism and the working class, rare subjects to be spoken of in Congress at that time. Locofocos and the Globe lauded Moore, who had never given any support to splinter factions. The Argus chose to believe that Moore meant "the democracy, or the great body of the people. . ." when he spoke about the working class. It was significant that the New York delegation walked out of the hall when Moore

⁷Nevins, ed., Hone Diary, I, 211; Boston Morning Post, June 16, 1836; Evening Post, June 11, 13, 1836; Union, June 8, 1836; Commons, ed., Documentary History, V, 314; Albany Argus, August 13, 1836. Blair had said that strikes were necessary to maintain real wages. Globe, June 24, 1835.

began the hour-long tirade which ended in his physical collapse.⁸

Meanwhile the Locofocos had become disenchanted with Martin Van Buren, the chosen heir of Andrew Jackson. The Democrat ceased publication in May and resumed in September with Windt replacing Roosevelt as editor. For the final weeks of its existence the overall tone of the paper was decidedly more vicious than in previous months. The Vice-President was under attack because of an evasive reply to a letter from a Locofoco committee asking for a statement of principles. Considerable division existed among party members over this question, but a majority decided not to endorse a presidential ticket for 1836. Democrats of all opinions denounced the rebellious attitudes, but the Locofocos said that "many of the strongest partisans of Mr. Van Buren in this state are bank officers, bank advocates and monopolists."⁹ More acceptable to them was Samuel Young who refused to be their candidate for governor. He saw no benefits to come from a separate party, and he would not totally exclude paper money from circulation. Young advised the Locofocos that they might accomplish some good by holding a state constitutional convention, which they

⁸Democrat, May 2, 3, 1836; Union, May 19, 20, 1836; Hugins, "Ely Moore," p. 124; Globe, May 18, 1836; Albany Argus, November 1, 1836; Democratic Review, I (October, 1837), 74-76. Trade-unionist Moore had speculated in urban lands in years past which perhaps indicates how he got to be a Tammany candidate in the first place. Hugins, "Ely Moore," p. 109.

⁹Byrdsall, Loco-Foco Party, pp. 59-61; Democrat, September 24, October 5, 1836; Evening Post, September 22, 1836; Albany Argus, August 8, 1836; Democrat, October 26, 1836.

ultimately did in 1837.¹⁰

The planned "Convention of Mechanics, Farmers, and Workingmen" met at Utica on September 15, 1836. Ninety-three delegates assembled at the courthouse and established the Equal Rights party. Robert Townsend, Jr. presided over the convention. Isaac Smith and Moses Jaques were to be the candidates for governor and lieutenant-governor. Smith, a merchant who had once been a Workingmen's candidate, proposed "that our common schools be established upon a basis that will insure to every child the advantages of equal education."¹¹ The convention adopted a slightly altered version of the Locofoco declaration of principles, which stated that the law should only restrain individuals when they infringed on the equal rights of others. The declaration also included this curiously enigmatic statement: "Every man is under the natural duty of contributing to the necessities of society; and this is all the law should enforce on him."¹² Moses Jaques composed an address to the people in which he noted that crime was a product of bad legislation and courts, approved the Clinton Roosevelt theory of protecting domestic industry by way of contraction, and again demanded that private individuals be allowed hold deposits and engage in other banking activities

¹⁰Albany Argus, August 5, 9, 1836.

¹¹Democrat, September 21, 1836; Byrdsall, Loco-Foco Party, pp. 67-70, 75.

¹²Ibid., p. 68.

on a limited scale. New Locofoco proposals which reflected the alliance with labor included election of judges for not more than three year terms and opposition to anti-labor legislation. The Locofocos wanted the state constitution amended "to prohibit future legislatures granting acts of incorporation to companies or individuals in any case whatever. . . ." ¹³

The Equal Rights party prepared for the November election. Its enemies declared that the main goal of the party was to weaken the Democrats, and certainly there was some truth in the charge. The Locofoco campaign consisted mainly in severe denunciations of Tammany Democrats; it described corrupt use of patronage and denounced the lobby which supposedly controlled the Albany legislature. The Safety Fund bankers shared a corrupt alliance with the leaders of "a bank conservative party." Indeed the Democrat pointed out the bank connections of the Tammany candidates. ¹⁴

The Locofocos again made a strong appeal for the workers' vote and even advocated that women should receive the same wages as men, although that proposal probably gained few votes. ¹⁵ Some question exists as to whether the party made any appeal to immigrants. A German newspaper called Der Herold began

¹³ Ibid., pp. 71-74. The quote is on p. 73.

¹⁴ Albany Argus, August 10, 1836; Byrdsall, Loco-Foco Party, pp. 97-98; Democrat, September 5, 10, October 8, 22, 29, November 7, 1836.

¹⁵ Ibid., November 5, October 22, 1836. Evans had been firm on that point, much more so than organized labor. Working Man's Advocate, June 22, 1835.

publication in March, and the Democrat called it "a co-worker in the cause of Equal Rights and anti-monopoly. . . ." Apparently, however, Tammany still had the Irish and German vote safely under control.¹⁶

The Locofocos selected a ticket that raised eyebrows among friends and enemies alike. Congressional nominees included Edward Curtis, who believed that the Locofoco position on new legislatures being free to repeal or alter old charters involved a violation of the obligation of contracts. Fervent for repealing the restraining law but less ardent for prohibiting the issuance of small notes, Curtis, who had authored some anti-bank essays, later voted to restore the national bank after he was successfully elected to Congress with the support of Whigs, Locofocos, and the Native American party. The thirteen Assembly candidates included Clinton Roosevelt and Robert Townsend, Jr., who were also supported by the Whigs. They became the Locofoco representatives in the Assembly. This alliance between Whigs and Locofocos raises interesting questions, although one can accept the reasoning of Fitzwilliam Byrdsall that the immediate need to humble Tammany was the chief motivating factor. Townsend had once been an Antimason

¹⁶Democrat, March 22, 1836; Robert Ernst, Immigrant Life in New York City, 1825-1863 (New York, 1949), pp. 166-167, 169. Ernst states that German paper originated with the Locofocos but that is probably incorrect. Another student declares that the "Loco-Focos were no champions of the immigrant" because they cooperated politically with nativists on occasion. Hershkowitz, "Loco-Foco Party of New York," p. 328. They were not "champions," but they also were not anti-immigrant, despite their concern over "surplus labor."

and by 1834 was a Whig. The Utica alliance brought him into the Locofoco camp. Roosevelt, "an honest politician of considerable talent and some eccentricity," later wrote that the Whigs were well acquainted with his 1833 pamphlet. Since he believed that the Democrats were the biggest enemies of reform, Roosevelt could be a Whig asset in Albany.¹⁷ Nevertheless, both Roosevelt and Townsend served the Locofoco cause futilely but loyally.

The Locofoco platform in 1836 included the following proposals: direct election of the president for only one term, repeal of the restraining law, exclusion of notes under ten dollars, election of judges, improved public education, and improvements on past legislation concerning imprisonment for debt and mechanics liens on construction. Two additional planks could be considered working class demands: repeal of customs duties on "necessaries" such as salt and coal, and repeal of anti-labor legislation.¹⁸ This could be termed a progressive petit-bourgeois type of platform which incorporated some measures designed to aid the working man. Ely Moore now accepted the Locofoco principles.¹⁹

¹⁷Byrdsall, Loco-Foco Party, pp. 81-95; Hugins, Jacksonian Democracy and the Working Class, p. 71; Clinton Roosevelt to Andrew Jackson, July 8, 1839, Jackson Papers. Horace Greeley said that Townsend and Roosevelt both opposed Van Buren. New-Yorker, October 15, 1836.

¹⁸Democrat, November 7, 1836. A mechanics lien theoretically assured that wages would be paid if a building project failed.

¹⁹Byrdsall, Loco-Foco Party, p. 90.

The Locofocos were insecure in their minority position. They accused the post office of suppressing pro-labor material, and sent a memorial to Jackson asking if it might be possible to dissuade customs house employees from interfering in the election procedure. The Democrats mocked them because of their insidious association with the Whigs. Perhaps the alliance did alienate some previous support. Smith and Jaques only pulled 1400 votes in the city and 3500 in the state. The presidential vote was interesting because Van Buren, who had already been warned about increasing Whig strength in New York City, had only an 1124 majority there whereas Jackson's margin had been 7000 in 1832. But in the Empire State Van Buren pulled a better vote than any Democrat between 1828 and 1876. Politicians throughout the country looked to the New York City election results in order to calculate trends.²⁰

Disregarding the poor showing of their "unfused" candidates, the Locofocos claimed victory for Curtis, Moore, Townsend, Roosevelt, and F. A. Tallmadge, the latter being elected to the state Senate. Tallmadge proved able to "embrace all parties and all principles besides."²¹ Quite clearly the "alliance" with labor had not actually materialized. The meager

²⁰Democrat, October 19, 26, 1836; Albany Argus, October 6, 1836; Byrdsall, Loco-Foco Party, p. 94; Edgar Davies to Van Buren, May 28, 1836, Van Buren Papers; G. Meyers, Tammany Hall, p. 128; W. Dean Burnham, Presidential Ballots, 1836-1892 (Baltimore, 1955), p. 18; Hofstadter, "William Leggett," p. 586.

²¹Democrat, November 26, 1836; Byrdsall, Loco-Foco Party, p. 96.

evidence available precludes any conclusive judgment concerning this situation. Evidently the labor rank and file were not inclined to actively support third-party politics although some of the leaders were. The Equal Rights party remained only a slight extension of the original Locofocos, with many members of the lower classes remaining skeptical toward its program as a panacea for their problems. Of course, the inherent futility of small parties discouraged support by some who were sympathetic.

The short careers of Townsend and Roosevelt in the New York Assembly is an important part of the Locofoco story. At times the two men found themselves voting alone in opposition to acts of incorporation. Townsend quickly defended the Equal Rights party against attack and read the declaration of principles to his fellow legislators in order to instruct them in the ways of democracy. He made it clear that he opposed incorporating new banks or increasing the allowed capital of existing ones. He noted that this would perpetuate the monopolistic nature of the present system, but he trusted that the restraining law would soon be repealed. Speaker Edward Livingston railed at Townsend, saying that "the principles of the party which the gentleman represents, so far from tending to sustain the cause of rational liberty, lead directly to licentiousness."²²

Marcy himself had recommended partial repeal of the

²²Albany Argus, May 9, January 23, March 15, 1837.

restraining law because of the tight money situation. Roosevelt's interest in the banking system stemmed from other considerations. He immediately began to offer resolutions calling for a bank investigation. His first efforts were unsuccessful, but prudence required that an investigating committee be appointed since legislators other than the Locofocos were demanding examination of the monetary system. A committee was chosen with a bank director as chairman: "one of the veriest bank white-washing committees that ever was chosen."²³ Townsend argued that Roosevelt, who had originally made the motion for an investigation, should head the committee. Eventually Roosevelt did become chairman of a three-man committee "to inquire and report what, if any, measures should be taken at the present session to reduce the amount of paper money in circulation."²⁴ This indeed was the central Locofoco concern and this report, which was immediately tabled, deserves attention. Surely all Locofocos did not subscribe to the following program, but evidently they never officially repudiated any of the ideas of their two representatives.

Roosevelt viewed fluctuations in the value of money as part of some kind of conspiracy; hard times were not part of the natural order. He declared that it should "be considered conspiracy in law for companies of persons to unite to loan

²³Ibid., January 3, 9, 20, 19, 1837; Herald, January 27, 1837; Byrdsall, Loco-Foco Party, p. 115.

²⁴Albany Argus, January 24, 25, 1837; New York Assembly Documents, no. 302 (1837), p. 1.

money, either with or without charters." To print money was the same as coining it and was prohibited by the United States Constitution. A depreciated currency undermined the tariff, and it was essential that industry be protected. Depreciation not only reduced the ability of domestic producers to compete with imported goods, but exporters were equally harmed; it was the duty of legislators to protect them. The principles of free trade were theoretically correct, but they were difficult to carry out in practice. Roosevelt also noted that the heaviest weight of contractions resulting from the business cycle inevitably fell upon the poor.²⁵

Roosevelt's solution involved reducing the amount of currency by about one-third. It was essential that the total amount of debt be reduced by the same ratio, and it was the duty of the state government to supervise this process. State agents should be appointed to direct each bank in the contraction process. Noting that the currency had continued to depreciate after passage of the small-bill law, Roosevelt said that bank loans in the form of deposits had to be taken into consideration along with the notes in the operation: "The expansion of bank credits must certainly be guarded against, and the whole paper money credit system be wound up as soon as practicable." It was essential that the government control this stabilization program. Finally, with regard to free banking proposals, Roosevelt said that it would be "like giving

²⁵Ibid., pp. 8-14, 22.

ardent spirits to one suffering from the delirium tremens, it is a present relief only at the expense of future greater trouble."²⁶

This was radical doctrine but certainly not of a necessarily "proletarian" nature. There was, of course, little chance of finding support for the plan. It demonstrated certain aspects of the Locofoco ideology not usually emphasized: a deliberate submergence of free-trade dogma and perhaps an embryonic acceptance of the regulatory role of the state.

Certain strategic votes occurred during the 1837 Assembly session which offer insights into the attitudes of Townsend and Roosevelt toward national politics. In that year Thomas H. Benton was finally successful in his efforts to remove from the Senate journal the resolution which had berated Jackson for his actions in the U. S. Bank affair. The New York Assembly, dominated by the Democrats, voted ninety-three to thirty-two to instruct the New York senators to support Benton. Roosevelt did not vote, and Townsend, who had been a consistent anti-Democrat in the past, voted no. Then came news of Benton's success, and the Assembly voted seventy-two to twenty-eight in favor of thanking the Senate for having consummated such a noble deed. Townsend again voted no, and Roosevelt again tried to avoid voting. He left his seat and apparently hid somewhere.

²⁶Ibid., pp. 27-28. See Hugins, Jacksonian Democracy and the Working Class, p. 201, for the standard view that the anti-bank radicals did not understand that bank deposits were part of the total volume of currency.

He later declared that the Whigs sought "to collar me on the vote of thanks on the expunging resolution. . . ." The sergeant of arms was sent out to fetch the reluctant Locofoco, and Roosevelt returned to cast his vote with the Democrats. He made a little speech, declaring that a Democratic vote would ruin him in New York City, but he hoped Benton would be the next president of the United States. Similarly, Roosevelt voted for, and Townsend against, a later resolution which praised Jackson.²⁷ Regarding Roosevelt's fears of being ruined in the city, it is unclear whether he was referring to loss of Whig or Locofoco support, or both. He and Townsend did declare themselves convinced that Silas Wright, Jr. was a genuine Locofoco in sentiment and cast their votes for that close friend of Van Buren, helping to reelect him to the United States Senate.²⁸

The relationship of the Locofocos to the Democratic party at this time was clearly present in a darkly comical episode concerning a remonstrance sent by the New York party in protest of the previously-mentioned investigating committee which the radicals claimed was a whitewash. A reporter from the Evening Journal called the document "grossly offensive and insulting both to the Speaker and the Committee of Investigation," which was a slight exaggeration. When it was discovered that one

²⁷Albany Evening Journal, January 17, 31, 1837; Roosevelt to Jackson, July 8, 1839, Jackson Papers; Albany Evening Journal, February 6, 1837.

²⁸Ibid., February 7, 1837.

James Kent, an obscure mechanic, had signed the protest, a special committee was quickly formed, apparently on the pretext that the Locofocos had forged the name of the eminently conservative jurist, Chancellor James Kent. The committee served a summons on Moses Jaques and Levi Slamm. Jaques and Slamm asked that their expenses be paid; the Assembly declared them guilty of contempt; they were arrested and taken to Albany in March. The final result of this ludicrous and arbitrary affair was that the Assembly reprimanded the two men; as Jaques melodramatically put it, "such has been the fate of all reformers. . . ." ²⁹

Probably the most significant New York legislation passed in 1837 was the suspension act. Early in the year the event most feared--financial panic--had come to pass. New York City banks suspended specie payments in May, thus presenting an embarrassing problem because the original Safety Fund legislation forbade such suspension. The legislature now came to the rescue and legalized this action. The vote was twenty-four to two in the Senate, with Samuel Young voting against, and ninety-five to nineteen in the Assembly, with Townsend and Roosevelt in the minority, as usual. Roosevelt desired an amendment which would provide a scale correlating debts to any change in the value of money. ³⁰

²⁹Ibid.; G. Meyers, Tammany Hall, pp. 130-131; Byrdsall, Loco-Foco Party, pp. 115-132.

³⁰Albany Argus, May 13, 16, 1837. Roosevelt sent an explanation of his debt-scaling scheme back home. Evening Post, May 24, 1837.

In 1837 the restraining law was altered to allow individuals to discount and receive deposits, and progress was made toward passage of a general banking law. The latter effort was unsuccessful only because the state attorney general ruled that such a law would be unconstitutional unless passed by a two-thirds vote as required by the state constitution for any bill involving incorporations. Magical transformations occurred to the general bank laws introduced. One bill began with the general idea apparently being to set up a complementary system to the existing one. Then the original sponsors saw the bill altered in an attempt to set up a rival system with hard-money controls and restrictions eliminated. Personal liability for stockholders was defeated and so were Roosevelt's efforts to include a small note prohibition. Roosevelt voted against the bill "on constitutional grounds," and Townsend did not vote because he had missed some of the debate. William Cullen Bryant had earlier expressed displeasure at the two Locofocos for not avidly supporting general banking.³¹

Late in 1836 ominous disturbances in the economy had indicated a possible collapse. Prevailing money pressures reflected a general uncertainty. The Globe blamed the Whigs for getting up another panic, while Leggett pointed out that what he had long predicted had finally arrived. Speculation had been as rampant in eastern urban areas as in the West. Great

³¹Albany Argus, February 6, 1837; Evening Post, April 20, 1837; Albany Argus, May 2, 4, 1837; Evening Post, March 27, 1837.

profits had accrued from the accelerating values of urban lots. Rents had risen, partly because of speculation and partly because investment capital was being funneled into more lucrative activities than construction, which was not keeping pace with population growth in New York City. Real estate speculation received much of the blame for high interest rates on commercial loans. One calculation of the effects of inflation on wage earners determined that a journeyman carpenter who had previously lived on \$1.50 a day required \$1.95 by the spring of 1836. The editor of the Herald, James Gordon Bennett, noted that the costs of essential items were up 50 to 150 per cent from the levels of 1832. Being a middle-class spokesman, he included the cost of labor in his list. Apparently some employers were still using bad money to pay wages. Everyone soon suffered from a general lack of a circulating currency as coin was now being hoarded. The demand grew that small bills be put back into circulation.³²

One of the Loco-foco platform planks in the autumn election of 1836 was that tariffs on "necessaries" should be repealed. Late in 1836 the prices of certain essential items had risen sharply, and antimonopolist rumors circulated about price-setting conspiracies. Anthracite coal, increasingly used for

³²Globe, October 25, 1836; Leggett, Writings, II, 96-97; Nevins, ed., Hone Diary, I, 148, 201-202; Herald, January 6, 1837; New-Yorker, March 18, 1837; Democrat, March 30, 1836; Herald, February 20, 1837; Leggett, Writings, II, 125; New York Senate Documents, no. 38, "Report on the Small Bill Law," II (1838), 11.

fuel by the 1830s, and flour were the two most mentioned products. Even New York City officials worried about the high cost of coal. Leggett argued that the coal dealers were not extracting excessive profits and put the blame on tariffs, incorporations, and other impediments of free trade. He rejected the Locofoco idea that tariffs should be lighter on items that were "necessaries" for the poor. Taxation should always be equal on everyone and everything and never "progressive." The Locofocos protested that every paternal act of government was done for the rich, and it was time that some concern be shown to the poor. At Albany Robert Townsend, Jr. offered a resolution calling for the instruction of national legislators to vote for repeal of the coal tariff. He made sarcastic remarks about how the legislature was always quick to aid the wealthy: "He trusted they would show the same compassion for the distresses of the poor." Only the two Locofocos and thirteen others voted for the resolution.³³

Rumors circulated concerning some highly placed persons in the state government allegedly speculating on a rise in flour prices, but the discontented generally blamed the wholesale commission merchants and accused them of hoarding. Horace Greeley emphasized the problem of scarcity as a result of bad

³³Byrdsall, Loco-Foco Party, p. 85; New-Yorker, December 3, 1836; Niles' Register, October 10, 1836; Leggett, Writings, II, 130-131, 143; Democrat, September 10, 1836; Albany Argus, January 9, 1837. Townsend was a trustee in a New York City coal company apparently established to market coal to subscribers at cost. Evening Post, May 31, 1837.

crops, and many blamed the depreciated currency. In Washington Democratic Representative Jacob Fry, Jr. of Pennsylvania argued for elimination of the duty on foreign grain because of bad crops and denounced "the heartless and soulless speculators" who were hoarding.³⁴

Such denunciations were calculated to arouse antagonisms against exploiters, provided the villains could be located. The Locofocos called the park meeting in February to rail against banks and paper money which resulted in the famous flour riot. Ming and Jaques attacked indirect taxation, calling for direct taxes on real and personal property and exhorting workers to demand coin for paper. Then an uninvited speaker inspired the "dense multitude of many thousands" to visit the flour wholesalers and persuade them to lower prices. A general rampage resulted in which streets filled "knee deep with flour and grain," and Mayor Lawrence became the target of various unpleasant objects.³⁵

The affair drew interesting reactions. Leggett, who had earlier hoped that the workers would use their efforts to stop wage payments in depreciated paper, now rebuked the trade unions because he associated them with the flour riot. He called them hypocritical because they opposed other combinations.

³⁴Niles' Register, December 10, 1836; Robert Albion, The Rise of New York Port, 1815-1860 (New York, 1939), pp. 93-94; New-Yorker, February 18, 1837; Union, June 21, 1836; Register of Debates, 24th Cong. 2nd Sess., pp. 1151, 1154.

³⁵Byrdsall, Loco-Foco Party, pp. 99-108; Boston Morning Post, February 16, 1837, citing the New York Times.

He also declared that the right to combine was an essential attribute of freedom of trade. Conservative Democrats and Whig "aristocrats" alike attacked the Locofoco instigators who inflamed "the passions of the populace" which led to the destruction of private property. No Locofocos were among the arrested rioters, many of whom, according to one report, were boys, Negroes, and illiterate laborers deluded into thinking they could overthrow the "immutable laws of trade." Of course, some observed that had there been no park meeting there would have been no riot. One result of such thinking was that Alexander Ming lost his job at the customs house. From Albany Clinton Roosevelt supported his friends by saying that those who defended the poor were always subject to attack.³⁶

The Locofocos continued to call park meetings, but no more riots occurred, possibly because nervous city authorities kept militia units ready. A regiment was stationed on Wall Street to protect the banks. Panic infiltrated the financial community and a general curtailment of business and production began.³⁷ As unemployment became a problem and specie was drained from the banks, many feared a general bank run. Since

³⁶Leggett, Writings, II, 125, 221, 224; Albany Argus, February 16, 1837; Nevins, ed., Hone Diary, I, 242; Herald, February 16, 1837; Leggett, Writings, II, 244; letter from Roosevelt, Albany Argus, February 18, 1837. A plea of flour millers that the city be liable for such destroyed property was supported by Croswell but opposed by Leggett. Ibid., February 28, 1837; Leggett, Writings, II, 245.

³⁷Byrdsall, Loco-Foco Party, pp. 109-113; Albany Evening Journal, March 9, 1837, citing the New York Courier and Enquirer; Albany Argus, March 9, 1837; Herald, April 6, 26, 1837.

the Locofocos exhorted workers to demand specie, conservatives viewed their meetings with apprehension.

The atmosphere of financial panic stimulated the Equal Rights party to propose that all legislation which regulated debtor-creditor contracts be abrogated and "debts of honor" be the rule. John Hunt, "one of the most ultra of Democrats," wrote provocative addresses with sharp class-conscious overtones, and Seth Luther arrived to assist in the struggle. Hunt pointed out the special problems of the working man in an economically-developed area which included factories, immigrant competition, and narrowed opportunity.³⁸

Moses Jaques ran for mayor in the spring election, stressing effective poor relief, and received 4000 votes out of 34,000 cast. The Whigs captured the common council and elected Aaron Clark as mayor over Democrat John Morgan.³⁹ Implications for the future were ominous for the Democrats.

The drain on bank specie continued, stock prices fell, and rumors circulated predicting a suspension of coin payments. The Locofoco meetings seemed not to disturb the steady flow of gold out of the bank vaults to any significant extent. The system of redeeming paper notes in specie on demand could only

³⁸Byrdsall, Loco-Foco Party, pp. 111, 135-137, 141, 109-110. The "debts of honor" proposal is an added indication of the relativistic view toward prevailing conceptions of property and contract. One observer described it as a desire for "a sort of universal bankrupt law." Thomas L. Nichols, Forty Years of American Life, 1821-1861 (New York, 1864), p. 45.

³⁹Byrdsall, Loco-Foco Party, pp. 137-139; Leggett, Writings, II, 279-281.

function properly when few made the demand. In New York City suspension took place on May 10, 1837, and Leggett pronounced the end of the "Safety Fund Bubble." Byrdsall thought Loco-foco agitation over notes was responsible, but apparently deposit withdrawals provided the greatest precipitating pressure. The legislature quickly legalized the suspension to the disgust of anti-bank radicals. Cynics thought it was simply designed to keep up the value of bank assets by preventing contraction.⁴⁰

Unemployment became critical in New York City. The Mayor saw that private charity would probably not be able to handle the increased burden of the coming winter, but no work-relief program was adopted. However, the Board of Alderman proposed reducing the wages of street cleaners so more could be employed, and Cornelius Lawrence, along with other public-spirited notables, contributed fifteen dollars to a relief committee. At the same time, Mayor Clark advocated spending millions for waterfront improvements and justified it by observing how much property values would increase. A Jacksonian paper in Boston admired the plan but William Cullen Bryant was contemptuous. Public relief expenditures for the state rose 25 per cent during 1837, and four-fifths of the recipients lived in New York City. Spontaneous citizen relief committees tried to cope with the situation when winter came. Others joined the Locofocos in

⁴⁰Herald, April 29, May 4, 1837; Byrdsall, Loco-Foco Party, pp. 142-143; Evening Post, July 4, 1837; Leggett, Writings, II, 309, 313, 315-317; Herald, May 11, 22, 1837.

demanding that public works employment be increased. The wages of day labor dropped to seventy-five cents, but food shortages kept prices up well into 1837. The "better sort of citizen" said that the discontented men who attended Locofofo meetings were only loafers.⁴¹

The Locofofos, who had encouraged people to demand gold from the banks, now vociferously protested the suspension of payments and called the subsequent legalization a violation of the obligation of contracts. Thousands were still drawn to park meetings. Reportedly, the Locofofos proposed that Congress pass a public land bill that would grant land to actual settlers and require the banks to assist the poor in settling on the national domain. John Hunt's addresses demonstrated that natural economic law was still an attitude of faith for many radicals. He proposed that paper money and usury be destroyed by simply letting credit alone. The Locofofos announced a constitutional convention to be held at Utica in September. No doubt thinking of debts of honor, the Argus commented that the Locofofos envisaged a constitution "which shall recognize neither law nor the legal protection of life

⁴¹David M. Schneider, The History of Public Welfare in New York State, 1609-1866 (Chicago, 1938), pp. 260-261; Herald, January 19, 1837; G. Meyers, Tammany Hall, p. 129; Boston Morning Post, February 14, 1837; Evening Post, April 8, 1837; Schneider, Public Welfare, pp. 262-264; Horace Greeley, Recollections of a Busy Life (New York, 1873), p. 245; Herald, July 10, 1837; Albany Evening Journal, June 17, 26, 1837; Allan Nevins and Milton Thomas, eds., The Diary of George Templeton Strong (New York, 1952), I, 57, 62.

and property."⁴²

Townsend presided over the Utica convention at which most of the state counties were not represented. The Locofocos prepared a constitution designed to protect individuals from encroachments on "natural rights" by requiring that the legislature "pass only general and equal laws." It specifically forbade the granting of corporate privileges and required that state loans be made only after ratification by referendum. Judges were to be elected every four years, and among the judicial reforms proposed was a prohibition of capital punishment. Prison labor was not to be contracted, and its profits were to go either to the victims of criminals or to the poor. This constitution required equalized taxation. All trades, professions, and businesses were to be open to all provided that no harm was done to the community. Whereas the United States Constitution had been a compromise between democracy and aristocracy, the Locofocos claimed that their creation would guarantee the sovereignty of the people.⁴³ In short, the democratized state would insure the will of the people.

Early in September the Locofocos rejoiced because President Van Buren had presented his special message to Congress in which he called for the divorce of government from its connections with banks. This caused great consternation among

⁴²Byrdsall, Loco-Foco Party, pp. 146, 152; Herald, June 27, 1837; Niles' Register, July 1, 1837; Albany Argus, July 22, 1837.

⁴³Byrdsall, Loco-Foco Party, pp. 162-170.

many Democrats, but as Byrdsall observed, the bank suspension had motivated the move which radicals had advocated for several years. The Independent Treasury proposition proved to be an immediate cause provoking factionalism in Democratic ranks. However, a widening split within Tammany had been reported a few months earlier. Benjamin Butler, Van Buren's Attorney General, complained of the conservatism prevalent within a dominant Tammany faction.⁴⁴

Van Buren supporters grew stronger within the New York organization. The Independent Treasury scheme served to push the Locofocos closer to the loyal Van Buren Democrats. The primary motivation for this development seemed to be intense reaction among the less hard-money minded Democrats. Gideon Lee, Preserved Fish, Cornelius Lawrence, and Edwin Crosswell were some of the Regency men reportedly supporting a new paper called the Madisonian recently established at the nation's capital to counter the Globe. New York Senator N. P. Tallmadge became a leader of the Democratic Conservatives, and he received a huge petition signed by 700 prominent New York supporters. Herald editor James Gordon Bennett defined Tammany conservatives as persons who held Harlem lots bought at last year's inflated prices.⁴⁵ There was probably some truth in that statement.

⁴⁴Ibid., pp. 157-162; Herald, May 18, July 13, 1837.

⁴⁵Ibid., August 21, 1837; Byrdsall, Loco-Foco Party, pp. 158-159; Herald, October 30, 1837.

Political alignments were now complex. The Conservatives declared in favor of the credit system and asked that the government "preserve and regulate, but not destroy." Other Democrats increasingly opposed any state economic laws which were "a shackle upon credit, trade, and commerce. . .," opposed the Tallmadge group, denounced the chartered banks, and upheld Van Buren. One searches in vain to find a clear-cut division between Whigs and Democrats at this point. The Whigs certainly opposed the bank divorce idea, but in New York many of them supported "liberating" economic proposals similar to those of many Democrats. Bennett said that the old party ties had been loosened, and the state election showed this to be true among the electorate.⁴⁶

The Locofocos and the Van Buren Democrats now approached fusion. Alexander Ming, Jr., who had at first opposed separation in 1835, argued that the original purpose of the Locofocos had been to reform Tammany and now the goal had been achieved. A lively anonymous debate appeared in the Evening Post over the efficacy, and indeed the morality, of fusion. On September 22, 1837, two meetings took place among the New York supporters of the President. At Tammany Hall Sedgwick and Ming attempted to seal the two year breach while proclaiming the usual free-trade clichés. The same evening John Windt addressed a torchlight meeting which apparently consisted of

⁴⁶Byrdsall, Loco-Foco Party, p. 158; Globe, August 4, 1837; Herald, October 30, 1837.

those Locofocos who opposed reunion with Tammany but still supported the national administration. This minority group became known as the "rump." Greeley reported antimonomopolists taking over a meeting of Tammany sachems who opposed the "radical" administration. He noted that the state appeared to be about two-thirds conservative, but conservative strength was thinner in the city. Some worried Locofocos wrote the Old Hero asking for advice, noting that continued division would only produce a Whig victory. Principle would not be surrendered because the Conservatives had been purged.⁴⁷ In truth, the "purge" was more like an exodus.

The Madisonian began to attack the Locofocos, believing as did many, that the President had adopted their principles. It denounced Locofoco addresses and proposals "more befitting the character of a revolutionist." The paper defended men of wealth because their industrious activities contributed to the prosperity of many. The Locofocos wanted to roll the progress of civilization back half a century. Robert Dale Owen and Frances Wright had produced Locofocoism by contaminating the old Workingmen's parties with their insidious heretical and levelling ideas. Their followers were "the idle, dissolute, dissatisfied." The Madisonian was pleased to discover that Robert Dale Owen had become Americanized. He wrote that he

⁴⁷Ibid., September 14, 1837; Evening Post, October 28, September 11, 19, 22, 1837; Globe, September 28, 1837; New-Yorker, September 30, 1837; Equal Rights Democrats to Jackson, October 3, 1837, Jackson Papers.

had modified his early "ultraism" and was now an Indiana legislator. A year earlier Owen had advertised in eastern newspapers that as the proprietor of a company he had good land to sell. Perhaps he had obtained it with "rag money." At any rate Frances Wright had returned to the city and was lecturing in support of Van Buren, a factor which probably did not ease the President's political worries.⁴⁸

One Locofoco writer attempted to answer the Conservative charges by pointing out the milder side of the party's ideology. Ming continued his efforts to reunite Locofocos with a "reformed" Tammany. Seth Luther had returned from his nomadic travels and opposed the idea. A party majority supported union, but the disgruntled rump refused to acquiesce. The fusionists explained that Tammany had adopted principles "essentially" the same as those of the Locofocos and would nominate satisfactory candidates. Equal Rights candidates not endorsed by Tammany withdrew on request. Ming said that the men who opposed fusion had all voted against Van Buren in 1836. Bryant thought the recalcitrant rump to be part of some evil Whig plot. The "uncontaminated Loco-Focos" ran their own ticket and issued a futile appeal to the electorate, explaining that they supported Van Buren but they now wished to apply national attitudes on the state level. They denounced Governor Marcy,

⁴⁸Nevins, ed., Hone Diary, I, 282; Herald, September 6, 1837; Washington Madisonian, August 26, September 23, October 5, 1837, January 30, 1838; Evening Post, September 21, 1836; Herald, October 7, 1837.

whom they held primarily responsible for the suspension law and seemed convinced that no "radical Democratic change" had taken place among New York Democrats.⁴⁹

Tammany accepted Hunt, Sedgwick, Townsend, and Slamm as Assembly candidates. "Thus has Van Burenism, in the City of New-York been melted down into the Loco Foco crucible!" exclaimed Thurlow Weed. Others moaned that "the destructives of the city" had captured Tammany Hall. But the real revolution was not the apparent leftward movement in Tammany. The flamboyant, but often perceptive, editor of the Herald, James Gordon Bennett, had noted several months earlier that revolution was evident in the New York Democracy and that it consisted largely of a swing toward conservatism behind N. P. Tallmadge. A move to the Whigs by many mechanics was also likely. The "middling classes," of which Bennett felt himself to be the spokesman, and the workers who identified with them, were the major factors in the great Whig sweep that occurred in New York.⁵⁰

In November of 1837, the Whigs scored a smashing victory over the Democrats, capturing 101 out of 128 Assembly seats.

⁴⁹Evening Post, October 4, 5, 6, 1837; Herald, October 16, 1837; Byrdsall, Loco-Foco Party, pp. 174-178; Herald, October 30, 31, November 2, 1837; Evening Post, October 28, 1837; Byrdsall, Loco-Foco Party, pp. 185-186.

⁵⁰Evening Post, October 31, 1837; Albany Evening Journal, October 30, 1837; Nevins, ed., Hone Diary, I, 284; Herald, July 19, March 28, May 5, 1837. The repeated comment of the loyal Democrats that "in union there is strength" indicated negativism.

a gain of sixty-seven from 1836, and also six out of the eight contested senatorial seats. They gained 48,000 votes over their 1836 totals. The Democrats put the blame on lazy voters, banks, and Whig demagoguery concerning the panic. Some Democrats thought the election might prove salutary and lead to the purification of the party. Greeley observed that the only major issue to be solved had been that of small notes; many had voted Whig who had not been pro-bank in the stereotyped sense. Since the panic had caused a dire shortage of all kinds of coin, he was probably correct. Weed felt that the victory was attributable to people who wanted government relief in times of stress and who turned to the Whigs as the spokesmen of positive government.⁵¹ The dissatisfied "middling classes" voted against depressed economic conditions which they identified with the state banking system and the ban on small bills.

The Locofoco rump received no benefit from this political shift. Locofoco candidates not endorsed by Tammany only received a few hundred votes. They had pledged to oppose the suspension act, promote a specie currency, and establish "a more extended, equal and convenient system of Common School Instruction." Fervor for specie currency had somewhat declined in New York. Gradually most of the true believers drifted

⁵¹J. Hammond, History of Political Parties, II, 479; Albany Evening Journal, November 14, 1837; Albany Argus, November 27, 1837; Evening Post, November 11, 1837; Globe, November 13, 1837; Democratic Review, I (January, 1838), 254; New-Yorker, November 18, 1837; Neil Carothers, Fractional Money: A History of the Small Coins and Fractional Paper Currency of the United States (New York, 1880).

back to the Democratic fold. Bennett said that Locofoco doctrines were demolished in the state. Weed felt that Van Buren had seriously miscalculated in adopting a program built around separation of the banks and national government; the expected "locofoco" reaction to the panic and bank suspensions had not significantly materialized. Tammany Democrats chose Issac Varian as mayorial candidate for the spring municipal elections-- the same Varian whom the antimonopolists had ejected from the chair on that chaotic evening at Tammany Hall on October 29, 1835. Varian lost by only 200 votes, and the Democrats made slight gains on the city council.⁵² They were still strong in the city, and it was difficult to uncover any pure Locofoco influences among them.

Locofocoism had received much early inspiration from the laissez-faire, negative government views of men like Leggett. The movement managed to transcend that limited dogma by evolving into a social philosophy based primarily upon the belief that the state must be the tool of the democratic majority. The negative government aspects of the movement could only be emphasized by men who believed that social and economic oppression only occurred when aided by the state, or else when reformers needed rhetoric to attack the granting of legal privilege by government. Positive government implications existed in the short and somewhat futile career of the Equal Rights party.

⁵²Evening Post, November 13, 1837; Byrdsall, Loco-Foco Party, pp. 172, 188; Herald, November 13, 1837; Albany Evening Journal, November 13, 1837; Madisonian, April 17, 1838; Globe, April 16, 1838.

There is a direct link between Locofoco social thought and the indigenous radicalism prominent in the United States in the years following the Civil War. Granger support of commission regulation of railroads and grain elevators, for example, demonstrated an increasing interest in using the state as a reform tool. The Populist belief in the necessity of positive state intervention in the interests of exploited groups built upon a foundation that contained much Locofoco ideology.⁵³

A pertinent question involves determining what contribution the Locofocos made to the troubled administration of Martin Van Buren. From the time that the Van Buren Democrats formulated a policy centered around the Independent Treasury proposal, the President and his supporters were increasingly castigated with the epithet of "Locofoco." The following pages will attempt to appraise the administration and discover whether it had significantly moved left from the policies of Jackson.

⁵³See Chester Destler, American Radicalism, 1865-1901 (New York, 1946), chapter one.

CHAPTER IV

THE FOUNDATIONS OF THE VAN BUREN ADMINISTRATION

In 1844 John Commerford wrote the old ex-president who had considered himself a champion of the people that "in a free state, it should be the first duty of a Statesman to look about him for proper and available means to keep off the intrusion of poverty from reaching the habitations of his fellow citizens."¹ That was the basic concept of Locofocoism and underlay its apparent contradictions, placing it clearly in the mainstream of nineteenth century antimonopoly-oriented radicalism. Martin Van Buren argued that the distinguishing characteristic of American government should be the equalization of benefits and burdens, but that the desired ends could be realized best by refusing to grant advantages to specific groups. Many Democrats professed the same sentiments. The products of industry would be equitably distributed, and wealth accumulated by fair competition was justifiable. Providence was the just regulator of society; the believer in the middle-class version of natural law scorned "meddling legislation" and malcontents alike.² Such thinking was not attuned to the

¹John Commerford to Andrew Jackson, April, 1844, Jackson Papers.

²James D. Richardson, ed., A Compilation of the Messages and Papers of the Presidents, 1789-1897 (Washington, 1896), III, 494; Boston Morning Post, April 7, 1836; William Stickney, ed., Autobiography of Amos Kendall (New York, 1872), p. 511;

positive welfare of lower-income groups, and it implied acceptance of a natural aristocracy. Moreover, the interests of the national government intertwined with the prosperity of certain economic groups. Van Buren and his close followers were more sympathetic to this situation than Jackson or Benton. As Levi Woodbury said, "We are all, it is hoped, political as well as theoretical Democrats." Still Van Buren was reluctant to break the ties of continuity with the Jackson administration. The clash of egalitarian rhetoric with political and economic reality inspired considerable ambivalence in Democratic ranks. John Brockenborough, president of the Bank of Virginia, urged the Independent Treasury, or Sub-Treasury, plan upon Van Buren in 1837. No enemy of paper money or ample credit, he was fond of the old adage he had learned as a schoolboy that "money was the root of all evil." Van Buren was proud that he had never owed a debt as a public man that he could not pay, but he once expressed regret that he had sold most of his real estate and was unable to take advantage of inflated land values.³ The compelling force of the economic revolution threatened the sanctity of the old values.

James K. Paulding to Van Buren, September 10, 1837, Ralph M. Aderman, ed., The Letters of James Kirke Paulding (Madison, 1962), p. 196; Democratic Review, III (September, 1838), 9; Hamilton, ed., Rantoul Writings, pp. 221-222, 229, 233.

³Charles Woodbury, ed., Writings of Levi Woodbury, LL. D. (Boston, 1852), I, 572; Brockenborough to William C. Rives, August 5, 1837, Van Buren Papers; Annual Report of the American Historical Association, 1918, John C. Fitzpatrick, ed., The Autobiography of Martin Van Buren (Washington, 1920), II, 21; Nevins, ed., Adams Diary, p. 460.

A social philosophy directly opposed to Locofocoism existed which circumvented the ambiguities of the middle-class Democratic mainstream. In 1836 James Summers of New York City presented Van Buren with a counter-argument to the natural-rights claims of the "Ultraists." All talk about absolute rights in a state of nature was "speculative and vain." There was no "natural liberty"; man had to be viewed in the context of society and was subject to laws and duties designed to promote "the happiness and prosperity of the whole body politic." All laws should be judged only by how well they promoted the general welfare. "Common interests make it expedient that in some cases the many should surrender their equal rights to the few." Chartered banks had to be judged on whether or not "they aid in making the community more safe and tend to increase public prosperity. . . ." The error of the radical antimonopolists was that they confused personal rights and obligations with those which were social and political. In their concern to preserve the former they ignored the latter. The small minority of radicals aimed at something beyond political rights.⁴ Here Summers seemed to hint at "levelling." Ideological conservatives often seemed to oppose measures not inherently radical because they foresaw tendencies which might ultimately undermine the social and economic status quo. Ironically, Summers argued a position that implicitly authorized

⁴James C. Summers to Van Buren, August 20, 1836, Van Buren Papers.

the modern state to undermine property "rights." No doubt he did so without concern, simply because he automatically assumed that men of property would always control the state. Leggett was accused of being an agrarian because many astute men of property believed that a convenient status quo depended upon a friendly state for security.

The Jacksonian middle class expressed horror at the speculation and depreciated currency attributed to over-expanded credit. Whig journalist Horace Greeley shared a distaste for "improvident borrowing." Most businessmen disliked disruptive speculation, arguing that it interfered "with the moral end of business."⁵ The crucial issue was stabilization of currency and credit in the interests of business. How to minimize fluctuations and yet preserve a monetary framework that would insure continued economic growth was the problem. The Democrats only sought, within the limits created by their proclaimed ideals, to accomplish the same aims as the Whigs, who desired a national bank. In 1840 when prices were falling and times were hard, Silas Wright tried to defend his party against the charge of supporting contractionist policies. Wright declared that the Democrats only desired to create a national standard for the paper money of the states.⁶

⁵Jackson to Van Buren, March 30, 1837, John S. Bassett, ed., Correspondence of Andrew Jackson (Washington, 1933), V, 467; Buchanan to F. R. Shunk and others, June 30, 1836, John B. Moore, ed., The Works of James Buchanan (New York, 1960), III, 123; Greeley, Recollections, p. 199; Hunt's Merchants Magazine, I (November, 1839), 392.

⁶Herald, September 25, 1840.

At its base, the negativism of the Democratic party rested only partly on theories of laissez faire. On the state level the Democrats were as interventionist-minded as the Whigs regarding economic activity. In large measure, rejection of national construction of internal improvements was the result of an inability of local interests to agree on a common program.⁷

One articulate Democratic spokesman observed, however, that his party now believed in allowing greater power to the central government in order to serve the general good than had the old Federalist party. Democrats of varying degrees of egalitarian fervor attacked the insidious drift toward centralization and the increasing tendency of citizens to look to the state for aid. Even if the quality of the paper money issued by state-chartered corporations was a problem needing remedial action, the constitutional responsibility rested solely with the states. Many southerners, spurred by increasing sectional antagonisms, supported the view of John C. Calhoun "that the great and prevailing disease of the times was centralism. . . ." Van Buren justified strict construction and negativism by professing that an inviolable Constitution was a kind of glue necessary to hold society together.⁸

⁷Hartz, Economic Policy, pp. 292-293; Carter Goodrich, Government Promotion of American Canals and Railroads, 1800-1890 (New York, 1960), pp. 266, 288.

⁸Hamilton, ed., Rantoul Writings, pp. 175-176; Boston Quarterly Review, I (July, 1838), 337-338, II (January, 1839), 129, 132-133, (July, 1839), 319; Globe, November 29, 1837; Register of Debates, 24th Cong., 2nd Sess., p. 691; Martin

A few Democrats sometimes forsook the laissez faire, strict construction rationales for maintaining the status quo. John Niles of Connecticut was one of the most loyal of Jackson men, and, when senators used the laissez faire argument to dissuade reforming efforts toward the District of Columbia banks, Niles declared that "this was carrying the principle of free trade one step too far for him." But all demands for congressional action against the state banks and paper money found little support among the legislators. Late in 1836, Representative John Galbraith of Pennsylvania apologetically presented a memorial calling for federal action against state banknotes. He was ridiculed for making such a foolish effort, but a select committee eventually prepared a report. Galbraith's report reiterated the Old Republican attitudes toward speculators, expressed the monetary views of William Gouge, and proposed a constitutional amendment which would prohibit a state from allowing an incorporated company to issue paper for circulation. The report noted that action was unlikely but the committee offered the proposed amendment for public discussion. The House tabled the report, and some denounced the memorialists for wanting to concentrate "all power in the Federal Government." In Massachusetts, Robert Rantoul, Jr., certainly a Democrat who usually voiced the traditional attitudes, suggested that Congress might ultimately have to

Van Buren, Inquiry into the Origin and Course of Political Parties in the United States (New York, 1867), p. 213.

impose a stamp duty upon the undesirable bank-note denominations. James Buchanan suggested a constitutional amendment which would authorize federal prohibition of lesser denominations. Economist Daniel Raymond advised Van Buren in 1837 that the national government assume total control of currency.⁹

Although there was little serious possibility of such action by Congress, certain positive government tendencies sometimes were present in the executive branch of the federal government. Levi Woodbury, Secretary of the Treasury under Jackson and Van Buren, was no advocate of the "exclusive metallic currency." He felt that national action against state bank notes would be ill-advised but casually mentioned the possibility of some kind of paper currency being issued by the Treasury. If the government continued to accept state notes, rigid controls were necessary. These might include required specie reserves and a federal bankruptcy law which would function as a threat to unsafe banks which issued irredeemable paper. For some years the Treasury Department had demonstrated an embryonic acceptance of some central banking functions. Expedient business needs often overcame the vague restrictions of theory.¹⁰

⁹Congressional Globe, 25th Cong., 1st Sess., p. 125; Register of Debates, 24th Cong., 2nd Sess., pp. 1177-1179, 1183-1190, 1204; House Reports, 24th Cong., 2nd Sess., no. 306, pp. 18-19, 24-25; Hamilton, ed., Rantoul Writings, pp. 518-519; Buchanan to Van Buren, June 5, 1837, Moore ed., Buchanan Works, III, 255; Raymond to Van Buren, July 26, 1837, Van Buren Papers.

¹⁰"Report of the Secretary of the Treasury," Cong. Globe,

"The dispositions of our people are eminently conservative in respect to public order and the rights of property. . . ." said Martin Van Buren, who claimed that the strength of the Democracy resided in the "middling interest."¹¹ The frustrated Locofocos and labor spokesmen who observed the business-oriented similarities of the two major parties were essentially correct in their analysis. National Democratic leaders claimed that they desired to reduce the excess paper currency which inflated prices, while the Globe answered complaints about "tight money" by proudly observing how liberally the pet banks loaned funds to the business community. Similarly, before the 1836 election a Democratic paper promoted its party by pointing out the high prices that lucky farmers received for their products. Conservatives would later attack the Democrats by connecting paper money to high farm prices. A cynical Whig observed to his brother-in-law, George Bancroft (a fervent Jacksonian), that many who railed against an "aristocracy" tended to "support the most avaricious grasping men in the community." When Andrew Jackson stepped down from the presidency he retired with high praise and a gift phaeton constructed from the timbers of the U. S. Constitution, presented by a group of well-to-do New York City Democrats. William Leggett also

25th Cong., 1st Sess., appendix, pp. 6-7; Esther R. Taus, Central Banking Functions of the United States Treasury, 1789-1941 (New York, 1943), pp. 31, 39.

¹¹Van Buren, Inquiry, pp. 166-167; Hamilton, ed., Rantoul Writings, p. 561; Boston Quarterly Review, I (January, 1838), 34.

lauded the Old Hero.¹² The Democratic party, decentralized in fact and theory, could be most things to many men.

Old attitudes and new obsessions meshed in ambiguous union as the creed of "progress" permeated the Republic. Its vanguard was of course the business community, but staunch allies could be found among all social and economic classes. The creed of progress stressed that it was of primary importance that national production be as high as possible and that all consistent means be utilized toward that end. Progress became a "great cause," and optimistic supporters claimed that "improvements" were a means to hasten the coming of the material millenium. As Carter Goodrich observes, the states usually granted aid in a mixed form which "came close to representing simply the private control of public investment." By 1838 even the national government owned \$3.5 million in the stocks of transportation projects. Those pleading for public aid argued that the prosperity of all Americans was improved when particular endeavors received support. The essential social idea involved in the rationale offered for government stimulation to economic growth was that society was a unit and not "a collection of fractions." If "the interests of all classes in this country are reciprocal," as N. P. Tallmadge claimed,

¹²Globe, June 13, 1836; Boston Morning Post, November 12, 1836; Madisonian, September 21, 1837, citing the Onondaga Standard; John Davis to George Bancroft, October 21, 1834, George Bancroft Papers, Cornell University, on microfilm, North Texas State University; Cornelius Lawrence, Preserved Fish, Isaac Varian, George D. Strong and others to Jackson, January 8, 1837, Jackson Papers; Leggett, Writings, I, 193, 237.

then aid to business interests could be justified.¹³

Utilizing the organic conception, one could argue that protective tariffs were an integrated system for the benefit of all. Paradoxically the same idea could be used both to defend aid to interest groups and to oppose relief to others. A few Jacksonians called for repeal of tariffs on "necessaries" such as coal and salt. Generally they did not question the principle of protection but argued that duties which bore heavily on the poor should be eliminated. Also, protection became dangerous when it served industries in which monopolistic conditions existed. Opponents of these demands argued that specific duties could not be lowered without undermining the whole system. Leggett had argued in the name of "equal rights" that tariff rates should be the same for all goods. Free-trader Leggett and the protectionists both opposed the Locofoco position of removing tariffs on essential items. Niles and Cambreleng led the attack on coal and salt duties, stimulated by the desire to reduce the growing government surplus. Hard-core Jacksonians tended to emphasize stimulation to exports and the interests of consumers in the tariff debates. Thomas H. Benton argued that luxury items should be heavily

¹³Hunt's Merchants Magazine, I (July, 1839), 56; Goodrich, Government Promotion, pp. 287, 292-293, 289, 284; Senate Documents, 25th Cong., 2nd Sess., no. 371; House Reports, 24th Cong., 2nd Sess., no. 121, p. 4; Goodrich, Government Promotion, pp. 277-278; Register of Debates, 24th Cong., 1st Sess., pp. 1153-1154, 3823; Hunt's Merchants Magazine, II (May, 1840), 371, III (October, 1840), 309-310; Register of Debates, 25th Cong., 1st Sess., p. 171.

taxed rather than necessary items such as salt. Factory workers pleaded for repeal of the coal duty because it was a burden on the poor, while manufacturing spokesmen declared that tariff reduction would lower wages and bring unemployment. Pennsylvania, a strong Democratic state, was concerned about protecting its coal industry. Senator Niles countered that by declaring that coal was an essential raw material for manufacturing, which was probably a more telling argument than "the sacred rights of humanity."¹⁴ However, it should be noted that Democrats made the rare arguments in favor of legislation directly beneficial to the poor.

The central issue of the times and one that would become even more important after Van Buren became president was the condition of the nation's financial structure. The Democrats supported slow, gradual removal of small notes. Benton, however, had outlined a program designed to bring about the adoption of a total specie circulating currency. He was described as a man who took his stand "waiting for public opinion to come up to him, however far distant it may seem to lag behind. . . ."¹⁵ Public opinion never did quite catch up to Benton.

¹⁴ Cong. Globe, 24th Cong., 2nd Sess., appendix, p. 285; ibid., 24th Cong., 2nd Sess., pp. 242-244; House Reports, 24th Cong., 2nd Sess., no. 86, pp. 4, 8, 12-13; Hamilton, ed., Rantoul Writings, pp. 327-336; R. H. Gillet, The Life and Times of Silas Wright (Albany, 1874), I, 515-516; Thomas H. Benton, Thirty Years View (New York, 1854-56), I, 714; Cong. Globe, 24th Cong., 2nd Sess., pp. 31, 90; House Documents, 24th Cong., 2nd Sess., nos. 158 and 170; Senate Documents, 24th Cong., 2nd Sess., nos. 30 and 102, pp. 2-8.

¹⁵ Boston Morning Post, January 2, 1837; Globe, October 21, 1836; Democratic Review, I (October, 1837), 86.

The Jackson administration had proposed that the banks which held federal deposits be required to suppress their small notes and that ultimately all government receipts and payments be made in specie. Also steps had been taken to increase the amount of hard money in the country.¹⁶ This was essential because the most telling argument against the professed administration aims was the prediction of a general price contraction. The gradualist plan was put into effect and the government required convertibility for all notes of the deposit banks. But the various controls were not strictly administered; banks that held government deposits sometimes issued small notes, and Henry Clay claimed that the government itself was still disbursing notes under ten dollars in 1837.¹⁷

The Deposit Act of 1836 increased the number of banks that held government deposits from thirty-five to ninety-six, required that there be at least one in each state, restricted the amount of federal money any one bank could hold to three-fourths its paid-in capital, and required the banks in certain

¹⁶See the Globe, September 25, 1835, April 16, 1836, and Register of Debates, 24th Cong., 1st Sess., pp. 1090-1092, 1745-1746, 1857; Carothers, Fractional Money, p. 93. Jackson supported the plan of his unofficial administration leader, William N. Chambers, Old Bullion Benton: Senator from the New West (Boston, 1956), pp. 211, 221. Few prestigious people seemed interested in the ends Benton sought.

¹⁷Schlesinger, Age of Jackson, p. 128; David Kinley, The Independent Treasury of the United States and its Relations to the Banks of the Country (Washington, 1910), p. 29; Cong. Globe, 24th Cong., 2nd Sess., appendix, p. 287. See also Harry Scheiber, "The Pet Banks in Jacksonian Politics and Finance, 1833-1841," Journal of Economic History, XXIII (June, 1963), 200-201.

cases to pay interest on the funds. Roger Taney lamented the defects in the law, the most significant feature of which was to distribute the considerable Treasury surplus over the amount of \$5 million to the states. He saw this as a great step beyond the sacred limits of strict construction. Gideon Lee, however, argued that distribution would destroy the authority of the national state. More significantly, this Tammany Democrat with "some interest" in New York City banking felt that distribution and the three-fourths clause violated "all the laws of trade. . . ." ¹⁸

In 1835 Jackson had recommended spending the treasury surplus on public works, and Silas Wright had wanted to invest it in state securities. The prevailing spirit of progress led to "deposits" with the states which nearly everyone agreed would never be recalled by the national government. Jackson opposed the concept but signed the bill, later complaining that a redistribution of income had been involved. ¹⁹ He was of course correct, and the business community was the direct beneficiary, although support for the measure could be found among all economic classes. Distribution was a compromise between old attitudes and the new spirit of enterprise. Most legislators could easily subvert the economic asceticism

¹⁸Ibid., pp. 203-204; U. S. Statutes At Large, V, 52-56 (1836); Taney to Jackson, July 3, 1837, June 27, 1836, Bassett, ed., Jackson Correspondence, V, 493-494, 410; Cong. Globe, 24th Cong., 2nd Sess., p. 205.

¹⁹Albany Argus, October 14, 1837; Richardson, ed., Messages and Papers, III, 161, 241.

imposed by strict construction and laissez-faire theory. Many southerners calculated that distribution was the only way that they could get their share of public works appropriations. On the other hand, New Yorkers were disturbed because credit contractions would result when the sizeable funds held in their banks were shifted elsewhere.²⁰

The Argus was at first dubious about the largesse, complaining about local populations out to plunder the Treasury. After consideration, Croswell decided that the funds were safer with the states than in the banks. He also said that the money could be spent on worthy projects. Different opinions came from men less friendly to business enterprise. Leggett pointed out the regressive and logrolling aspects of such a measure. The idea of raising revenue only to redistribute it to serve "the public good" was absurd to him. A New York City labor organ denounced distribution, being fully aware of its bipartisan nature. The Union declared that both tariff duties and public land prices should be reduced. Benton, the national leader who came closest to being a "locofoco," disliked distribution and was proud to have been a member of the "minority of six" in the Senate who had opposed the Deposit Act.²¹

The inadequacies of Jacksonian monetary policies were

²⁰Charles M. Wiltse, John C. Calhoun: Nullifier, 1829-1839 (Indianapolis and New York, 1949), II, 325; Cong. Globe, 24th Cong., 2nd Sess., appendix, p. 261; Evening Post, June 28, 1836.

²¹Albany Argus, June 22, June 29, August 6, 1836; Leggett, Writings, I, 213; Union, June 25, 1836; Benton, Thirty Years View, I, 561, 652-657.

apparent by the time the Old Hero left office. In 1835 he had expressed confidence that with the cooperation of Congress and the states the great hard-money crusade would be successful. In his 1836 annual message he ruefully noted that the essential good work had not been done. Jackson continued to defend the state bank deposit system, and Woodbury declared that the pet banks were perfectly safe. The lack of state cooperation, however, disappointed Taney, and he hinted that some kind of congressional action would be necessary.²² This was highly unlikely.

Theoretically the interest in regulatory reform should have been increasing for by the end of 1836 ominous economic dislocations were apparent. The financial Panic of 1837 erupted in the early months of the Van Buren administration. The nature of the economic environment during these years is central to understanding the pressures that molded politics and to evaluating the administration from the viewpoint of Locofoco radicalism.

In general the years from 1820 to 1839 were characterized by sustained economic growth. The 1837 recession was "a minor part of an eight year sickness."²³ The final collapse and

²²Richardson, ed., Messages and Papers, III, 166, 248, 250-251; "Report of the Secretary of the Treasury," Cong. Globe, 24th Cong., 2nd Sess., p. 14; Taney to Jackson, October 27, 1836, Bassett, ed., Jackson Correspondence, V, 432.

²³Taylor, Transportation Revolution, p. 338; Walter B. Smith and Arthur H. Cole, Fluctuations in American Business, 1790-1860 (Cambridge, 1935), p. 49.

downturn came in 1839 and reached its ultimate depths in 1843. In the 1830s a healthy economy began to degenerate because of over-investment in improvements construction and land speculation. Purchasing power generated by the projects of progress, coupled with a stationary production rate, contributed to a general price rise. The righteous and official Jacksonian view blamed inflation on a corrupt mania to get rich quick. Distribution of the surplus revenue was disruptive because it caused a shifting of federal funds among some one-tenth of the nation's banks. Although only \$5 million in specie was actually put into transit, the strategic New York City banking community suffered considerably.²⁴

Meanwhile a speculating lust for unearned increments existed as both an urban and rural phenomenon in the land of opportunity. These destructive tendencies were present in all of the nation's sections. Many claimed that Jackson's Specie Circular, which required that the public lands be purchased with hard money, had contributed to money pressures by drawing coin from East to West. Certainly Jackson wielded the circular as a deflationary device, but opinion varies over whether it had an appreciable economic effect.²⁵

²⁴Taylor, Transportation Revolution, pp. 340-341; Globe, December 19, 1836; Jackson to Taney, October 13, 1836, Bassett, ed., Jackson Correspondence, V, 429-430; Taus, Central Banking Functions, pp. 38-39; Richard Timberlake, "The Specie Circular and Distribution of the Surplus," Journal of Political Economy, CXVIII (April, 1960), 111-116.

²⁵Nevins, ed., Hone Diary, I, 253; Roy M. Robbins, Our

The country ran a trade deficit from 1831 until 1837, and a wheat crop failure in 1836 requiring grain imports further aggravated the situation. Credit contractions in England coincided with pressures in the United States. Much of the American export trade was financed in London. Indeed the whole import-export business rested upon a chain of credit; upheaval ultimately reverberated down to the American retailer.²⁶

Stock prices and land sales declined first, followed by commodity prices, and in May of 1837 interest rates turned down. Recovery came in 1838 primarily because of continued state spending for internal improvements and a renewed influx of strategic British capital. Farm prices help up in 1837-38. A second financial panic struck in 1839 fully as severe as the previous one. After a slight recovery, prices began to fall rapidly and 1841-1843 became depression years. Prosperity had depended upon expanding investment in construction, and when it evaporated a prolonged decline resulted.²⁷

Existing price statistics are imperfect but provide an adequate overview of general economic conditions. An index

Landed Heritage (Princeton, 1942), pp. 60-66; Reginald C. McGrane, The Panic of 1837: Some Financial Problems of the Jacksonian Era (New York, 1924), p. 43; Timberlake, "Specie Circular," pp. 110-111; Scheiber, "Pet Banks," pp. 206-207.

²⁶Taylor, Transportation Revolution, pp. 342-343; Smith and Cole, Business Fluctuations, pp. 41-42, 79; Albion, New York Port, pp. 283-285.

²⁷Smith and Cole, Business Fluctuations, p. 84; Arthur H. Cole, Wholesale Commodity Prices in the United States, 1700-1861 (Cambridge, 1938), pp. 110-111; Taylor, Transportation Revolution, pp. 343-346.

using the period 1824-1842 as a base indicates that wholesale commodity prices in New York City were about 130 in February of 1837, declined to 109 in August of 1838, rose to 118 in May of 1839, then fell, staying around 95 from June of 1840 until February of 1841, at which point a steady decline began. The same basic pattern seems to have held in other eastern urban areas.²⁸

Cost of living computations based upon the year 1913 show indexes of 51 in 1834, 68 in 1836, 72 in 1837, 71 in 1838 and 1839, 60 in 1840 and 1841, and a return to 51 by 1843. A check of the prices of essential commodities reveals that the cost of flour showed the biggest single rise in 1837 and never dropped to its 1835 level until 1840. Anthracite coal price averages did not return to the 1835 level during the Van Buren years and rose from \$4.84 per ton to \$6.72 by 1837. The average price of wheat was \$1.78 in 1836 and \$1.92 in 1838, then plummeted to \$1.24 in 1839 and \$1.05 in 1840. Agricultural prices, with the exception of cotton, reached a seven year low in the summer of 1840 and continued to decline, falling faster than those of manufactured goods.²⁹

²⁸Cole, Commodity Prices, appendix B, table 45, p. 135. See also table 46, p. 137 and appendix C, table 50, p. 142, table 51, p. 144.

²⁹U. S. Bureau of the Census, Historical Statistics of the United States, Colonial Times to 1957 (Washington, 1960), series E 157, p. 127, series E 101, 102, 107, p. 124, series E 1-12, p. 115; Smith and Cole, Business Fluctuations, chart 21, p. 65; Taylor, Transportation Revolution, p. 346.

Collapse was near by the time Jackson left office in March of 1837. His monetary policies had relatively little strong support in Congress. A bill that in effect would have repealed the Specie Circular received heavy support in the House with commerce and bank-minded Gideon Lee and New England manufacturing magnate Abbott Lawrence representing an interesting alliance. Benton, Wright, and three others formed a virtuous minority in the Senate. Jackson vetoed the bill and left the circular to Van Buren as a memento while Blair praised the sagacity of the administration's deflationary efforts. Meanwhile the Whigs never let the Democrats or the voters forget that the Treasury had once explicitly directed the pet banks to make money plentiful back in the boom days. Probably many of the Whigs agreed with Henry Clay when he remarked that most of the Democrats were all right, but the party had been undermined by "executive usurpation."³⁰

New pleas for a national bank were abundant, but there was little chance of reestablishing it. Still, the Democratic position seemed to be weakening, and the 1836 election demonstrated that the two parties were evenly balanced in most states. The Old Hero predicted a rupture among Democrats in the Senate. John C. Calhoun expressed a preference for "the more decent portion" represented by Buchanan and Rives rather

³⁰ Cong. Globe, 24th Cong., 2nd Sess., pp. 215-216; Schlesinger, Age of Jackson, pp. 130-131; Globe, March 20, 1837; Albany Jeffersonian, June 9, 1838; Scheiber, "Pet Banks," p. 199; Cong. Globe, 25th Cong., 1st Sess., p. 67.

than the "more filthy" faction typified by Benton, Kendall, and Taney. The "filthy faction" was an ineffectual minority. Opinion varied over whether Van Buren would pursue Jackson's ideals. It was sunny on inauguration day, a recent snow had melted; nature provided a proper setting for the departing President. He left affairs in the hands of his friend and chosen successor, and many would have agreed that Van Buren was handicapped from the beginning because he lacked the magnetic popularity of his predecessor.³¹

In his published campaign letter to Sherrod Williams, Van Buren had outlined the progress of the hard-money program designed to eliminate small notes, placed faith in state cooperation, declared that the Treasury Department possessed adequate controls over the deposit banks, and had promised that he meant the banks no harm. The last proposition was doubtless true, the rest wishful thinking. Such moderate comments might keep the party united. William C. Rives of Virginia, who would soon be in opposition to Van Buren, approved of the Williams letter. The dean of the Old Republicans, Nathaniel Macon of North Carolina, thought Van Buren a good hard-money

³¹Register of Debates, 24th Cong., 2nd Sess., pp. 418-419, 738-739; Burnham, Presidential Ballots, p. 17; Jackson to Andrew Donelson, January 11, 1837, Bassett, ed., Jackson Correspondence, V, 450; John C. Calhoun to James H. Hammond, February 18, 1837, Calhoun to James E. Calhoun, March 22, 1837, Annual Report of the American Historical Association, 1899, J. Franklin Jameson, ed., Correspondence of John C. Calhoun (Washington, 1900), II, 367-368, 370; Herald, January 19, 1837; Evening Post, November 17, 1835; Globe, March 6, 1837; clipping from the Charleston Southern Patriot, April 11, 1837, Van Buren Papers.

man. The inaugural speech was also vague and moderate except for a promise to maintain slavery in the District of Columbia. Leggett called it "a cringing spirit of propitiation" Clearly Van Buren sought consolidation with southerners. Thurlow Weed observed that the new President had said nothing about any important question related to the public welfare.³²

The first major political decision Van Buren faced after taking office involved the possibility of repealing the Specie Circular. Silas Wright observed that public opinion over the issue overlapped party lines, but most businessmen favored repeal. Middle-of-the-road Democrats argued that the circular had accomplished its original purpose but should now be repealed, both for economic reasons and to avoid adverse political repercussions. Some said that the circular was unpopular with the general public, but Van Buren's correspondents seemed to equate "general public" with middle class. Some emphasized the bad "imaginary effect" the circular had in retarding pecuniary confidence. Rives noted that Van Buren could gain badly needed congressional support and increase his general popularity by repeal.³³

³²Van Buren to Sherrod Williams, Albany Argus, August 8, 1836; Rives to Van Buren, August 29, 1836, Macon to Van Buren, January 1, 1837, Van Buren Papers; Leggett, Writings, II, 250-254; Wiltse, Calhoun, II, 344; Albany Evening Journal, March 8, 1837.

³³Wright to Van Buren, March 21, 1837, N. P. Tallmadge to Van Buren, March 15, 1837, Cornelius Lawrence to Van Buren, March 18, 1837, Robert Patterson to Van Buren, April 29, 1837, Gorham Worth to Van Buren, March 12, 1837, Henry Toland to

Support for the Specie Circular came from Wright and Taney. From the Treasury Department Woodbury and Gouge advised retention, but opinion in the cabinet split over the issue. Finally the President decided to make the circular "part of his permanent system." He asserted continuity with the Jackson administration, but evidently a major reason for his decision was that repeal of the circular would stimulate a gold flow to eastern banks. This would ultimately drain specie out of the country because of foreign exchange pressures. The circular should be kept until "natural forces" stabilized exchanges. Later Van Buren received an interesting letter which complimented him upon his sagacity in not repealing Jackson's circular: "the Metallic Humbug would have agitated the nation for years. . .," and the hard-money fanatics alienated. Now the specie mania would die a natural death.³⁴ Perhaps that reflection contained a measure of truth.

Van Buren made some efforts to "purify" the rather eclectic Democratic party. In Massachusetts he had inherited the David Henshaw machine. Henshaw supported Jackson but praised wealth, claiming that corporations were formed only for the

Van Buren, November 9, 1836, March 9, 1837, James Lee to Van Buren, March 14, 1837, Rives to Van Buren, April 7, 1837, Van Buren Papers.

³⁴Gillet, Life of Wright, I, 539-541; Taney to Van Buren, April 1, 1837, "Probable Consequences of the Repeal of the Treasury Circular," March 19, 1837, Van Buren Papers; Niles' Register, April 8, 1837, citing the Journal of Commerce; personal memo, March 24, 1837, anonymous correspondent to Van Buren, August 14, 1837, Van Buren Papers.

public good. Egalitarianism to such men meant "equal means of wealth." Van Buren chose the historian George Bancroft to become titular head of the state party. Bancroft functioned as a moderate between Henshaw and the more radical element led by the former Antimason Benjamin Hallett, who wanted the federal government to assume the exclusive right to issue paper money.³⁵

Bancroft once visited one of Jackson's presidential "levies" and found, to his distaste, "all the refuse that Washington could turn forth from its workshops and stables." A Whig in-law ridiculed his antimonopoly rhetoric and sardonically urged him to get rid of his own investments in order to prove his sincerity. Edwin Croswell approved of such a Democrat, but the New York City Locofocos thought Bancroft a political sham.³⁶

The Democrats were weak in Massachusetts; free trade held no allure for an area where farmers often involved themselves with small enterprises for which they desired tariff protection. Even the Democrats had to admit that many workers and farmers in the Bay State were Whigs. Among the more radical of the

³⁵Arthur B. Darling, Political Changes in Massachusetts, 1824-1848: A Study of Liberal Movements in Politics (New Haven, 1925), pp. 183, 272; Boston Morning Post, July 6, August 16, 22, March 12, 19, 1836; Darling, Political Changes, pp. 206-209.

³⁶George Bancroft to Mrs. Bancroft, December 27, 1831, M. A. DeWolfe Howe, The Life and Letters of George Bancroft (New York, 1908), I, 196; John Davis to Bancroft, March 13, 1835, Bancroft Papers; Albany Argus, August 13, 1836; Democrat, October 22, 26, 1836.

Democrats was Orestes Brownson who was dubious of the moderate Van Buren and considered Amos Kendall to be a better example of a Democrat.³⁷

However, the realization grew that the President did not wish to depart from Jacksonian precedents. The situation was complicated by the unsettled economic situation. Throughout 1837 Democratic newspapers tended to de-emphasize the extent of the trouble and advise that general retrenchment would correct the economy. Sources less friendly to the administration reported factory shutdowns, unemployment, and soup-lines in the cities. The poor were advised to seek refuge in the West, and non-radicals began to be more friendly to liberalized land laws.³⁸

From the standpoint of the government, the major problem resulted from the May suspension of specie payments by the banks, including those which held government funds. Administration men knew that they would be attacked for ineptitude regarding the Treasury-deposit bank relationship. Benton said

³⁷Bancroft to Van Buren, November 16, 1837, Van Buren Papers; Darling; Political Changes, p. 144; Boston Morning Post, November 13, 1837; Arthur M. Schlesinger, Jr., Orestes A. Brownson: A Pilgrim's Progress (Boston, 1939), p. 68; Brownson to Bancroft, July 25, 1837, Bancroft Papers.

³⁸Robert Patterson to Nicholas Biddle, May 8, 1837, Reginald C. McGrane, ed., The Correspondence of Nicholas Biddle, Dealing with National Affairs, 1807-1844 (Boston and New York, 1919), p. 277; Boston Morning Post, April 13, November 28, 1837; Globe, April 18, 1837; Greeley, Recollections, pp. 123, 144-145; Niles' Register, August 12, September 16, 1837; Albany Evening Journal, February 24, 1838; New-Yorker, May 6, June 3, 1837, January 20, 1838; Herald, February 3, 1837.

that "the stoppage of the deposit banks was the stoppage of the Treasury." Van Buren viewed the situation as virtual catastrophe, and the cabinet went into a six-day session to formulate a course of action. The Democrats under Jackson had not actually been confronted with a national legislative program; if the new administration constructed one the existing differences between state and national loyalties might clash.³⁹

Benton declared that the May suspension of payments was part of a plot designed to discredit the new administration. New York City merchants, claiming that they were being reduced "to a state of comparative want. . .," appealed to the executive for relief but got little response. A huge demonstration by workers in Philadelphia (not organized by middle-class leaders) demanded that the banks resume paying gold for small circulating notes, but the bankers refused, claiming that their own interests were identical to those of the community. The Philadelphia meeting called on the national government for some undefined relief and advocated legal action against bank corporations not paying in coin. Legislators were more interested in legalizing the suspensions, where, as in the case of New York, a state law had been violated. The radical and conservative positions over this issue were clearly defined and

³⁹James Buchanan to Van Buren, June 5, 1837, Moore, ed., Buchanan Works, III, 252; Benton, Thirty Years View, II, 21; Van Buren, Inquiry, p. 127; James C. Curtis, "The Heritage Imperiled: Martin Van Buren and the Presidency, 1837-1841," unpublished Ph. D. dissertation, Department of History, Northwestern University, 1967, pp. 91, 241.

both offered legalistic justifications; both suspension and bankruptcy violated the obligation of contracts.⁴⁰

The deposit banks were required by law to redeem their bills, and that fact alone, since Congress was not in session, seemed to call for action by the recalcitrant Chief Executive. Some complained about the "sullen mystery" of his intentions, while Whig merchants hissed the President's name, feeling certain that he cared little for the prosperity of the rich and would cater to the masses. Since Blair in the Globe was castigating the merchants and wealthy in general, perhaps they were justified in feeling apprehensive. The conservative response was defensive and sometimes overwrought to the class-oriented rhetoric.⁴¹

Secretary of the Treasury Woodbury informed Jackson, whose watchdog spirit was still a factor to be considered when policy was being devised, of the methods put into effect to cope with the crisis. The Treasury had now begun to keep its own funds. Woodbury swore that "we mean never to strike the Specie flag." Jackson felt that the government should sue the banks for the deposits in specie, but Woodbury tried to convince him that a more judicious approach was necessary, and that the Treasury would gradually regain its deposits and meet its obligations.

⁴⁰Benton, Thirty Years View, II, 16-18, 22; Nevins, ed., Adams Diary, p. 481; Globe, April 29, 1837; Henry Gilpin to Van Buren, May 15, 1837, clipping from the National Laborer, May 22, 1837, Van Buren Papers; Globe, May 18, 1837; Evening Post, August 10, 1837; Boston Morning Post, May 13, 15, 1837.

⁴¹Herald, April 6, May 9, 1837; Globe, May 19, 23, June 2, 1837.

Wright later explained that because of the deranged state of business in the country indulgence to the "late deposit banks" was necessary. Van Buren's major concern seemed to be that the suspension was an embarrassing affair to the government. Jackson, fearing possible betrayal of his specie principles, sought to inspire his protégé by claiming that suspension was part of a conspiracy and entreated Blair to keep an eye on the President for indications of possible defection.⁴²

James Gordon Bennett seemed to express a middle-class ambivalence to the crisis. He advocated a return to the pure and simple life of the Old Republic and yet proclaimed that banks and credit were necessary for a young and growing country. Despite the rhetorical extremes of partisan spokesmen, one could discern that the basic need felt by the middle class, Whig or Democratic, was to achieve domestic exchange stability. They wanted an ample unfluctuating currency that would hold the same value in all areas. Similarly, the increasing shortage of fractional currency was a fact that bypassed political allegiance. Municipalities, corporations, and shopkeepers began to issue their own "shinplasters." Increasingly, opposition grew to that essential item in the hard-money program, small-bill

⁴²Woodbury to Jackson, June 4, 28, 1837, Bassett, ed., Jackson Correspondence, V, 485, 490-491; Cong. Globe, 25th Cong., 1st Sess., p. 29; Van Buren to Jackson, May 23, 1837, Bassett, ed., Jackson Correspondence, V, 484; Jackson to Van Buren, May 12, 1837, ibid., p. 482; Jackson to Blair, April 2, 18, 24, 1837, ibid., pp. 473, 476-478. A Democratic senator later incredulously asked if the government was to be paralyzed every time the banks saw fit to suspend payments. Cong. Globe, 25th Cong., 1st Sess., appendix, p. 83. The government could have chosen to accept the paper of the suspended banks.

prohibition.⁴³ Within this overall framework of general economic hardship and governmental inconvenience, events forced the President to formulate a program, hopefully consistent with his predecessor's policies, his own considerable conservatism, and the pragmatic needs of the moment. He faced the difficult problem of exerting some national restraint over a decentralized banking structure without violating the states' rights creed that served as a kind of cement to that undisciplined coalition known as the Democracy.⁴⁴

Van Buren now received reports of working class uneasiness in New York City. Observers considered the Locofoco leaders to be more anti-Democratic than the rank and file. Some of the same Tammany men who would soon be backing the Madisonian as a conservative organ were planning to establish a penny daily, the Daily News, to enlighten the urban masses.⁴⁵ The Locofocos had polled some 12 per cent of the vote in the city elections which helped the Whigs achieve victory. Van Buren evidently attributed that to anti-bank sentiments.

Splits widened in the Albany Regency. Generally, Van Buren, Wright, and Azariah Flagg were the major members of the inner circle who had remained somewhat aloof from involvement

⁴³Herald, May 6, 1837; Senate Documents, 24th Cong., 2nd Sess., no. 163; Herald, April 27, June 13, 1837; McGrane, Panic of 1837, p. 212; Niles' Register, June 24, July 1, 1837; Madisonian, August 16, 1837.

⁴⁴Curtis, "Heritage Imperiled," p. 81.

⁴⁵Myndert Schaick to Van Buren, March 28, 1837, Barnabas Bates to Van Buren, May 25, 1837, Van Buren Papers.

in compromising business and speculative deals. Marcy, who borrowed \$1500 of the surplus distribution in 1836 which New York had utilized to aid worthy enterprisers, hated "the Hideous Monster of locofocoism" and advised Van Buren to treat banks and currency with moderation. The President leaned more on the advice of Wright and C. C. Cambreleng, however. They functioned as administration leaders when Congress convened in the special session scheduled for September, 1837. Cambreleng was chairman of the Ways and Means Committee which a Kentucky representative called "the thermometer which indicates the precise state of Executive temperature. . . ." ⁴⁶ Neither man qualified as a radical in any true sense of the term despite the usual tone of Cambreleng's rhetoric. Both were consistent supporters of the basic but vague aim of a specie-backed currency with Cambreleng more unfriendly to paper money than Wright. Cambreleng, who was a businessman before he became a politician, advocated that all connections between the federal government and the banks be dropped. ⁴⁷

Early support for what became variously known as the

⁴⁶ Marcy to Van Buren, May 25, 1837, Van Buren Papers; Van Buren, Autobiography, pp. 625, 655; Wright to Van Buren, June 4, 1837, Van Buren Papers; Cong. Globe, 25th Cong., 1st Sess., appendix, p. 277. The best short summary of Regency business activities is found in Ivor Spencer, "William L. Marcy Goes Conservative," Mississippi Valley Historical Review, XXXI (September, 1944), 205-224. Marcy's reference to the Locofocos is on p. 222.

⁴⁷ Gillet, Life of Wright, I, 529-531, 542-543, 557-559; Democratic Review, VI (August, 1839), 145-147; Cambreleng to Van Buren, April 8, June 13, 1837, Van Buren Papers.

Independent Treasury, Sub-Treasury, or "divorce," did not smack of the "radical" intentions involved in Gouge's 1833 proposal of the concept: that is, a direct attack on corporate banking. Democrats of a conservative turn of mind who believed that paper credit was necessary for an expanding economy supported the plan. Divorce was congenial to free-trade theorists and could satisfy those who opposed any federal regulation of banking. Others claimed that it would allow greater control over the currency and would check over-expansion. Some felt that the measure would bring "genuine" expansion, presumably meaning that bothersome fluctuations in the economy would disappear. The Globe began to run Gouge's latest pamphlet entitled An Inquiry into the Expediency of Dispensing with Bank Agency and Bank Paper in the Fiscal Concerns of the United States. Horace Greeley, not yet a hard-line Whig, thought separation might create a sound currency and diminish executive power. He observed that it would not in any sense be part of "an indiscriminate Locofoco crusade" against banks and paper money. All things considered, it might be the best alternative for merchants since opposition to another national bank was so prevalent.⁴⁸

Some prominent Democrats felt differently and, in reaction to the Globe's "radicalism," established the Madisonian. They claimed to oppose the "exclusive metallic currency" favored

⁴⁸John Brockenborough to William C. Rives, May 20, 1837, Van Buren Papers; Democratic Review, I (October, 1837), 117-119; Leggett, Writings, II, 303-304; Globe, May 18, July 7, 12, 1837; New-Yorker, May 27, June 24, 1837; Herald, September 2, 1837.

by the administration, quoting past hard-money rhetoric to prove the point. The administration was out to destroy the banks, and that was unthinkable in a nation pursuing progress. The conservatives denounced the Locofocos but at first appeared to absolve Van Buren, hoping that he would change the direction of the administration. As one of Nicholas Biddle's friends observed, the epithet of "locofoco" meant flour riots to respectable people and filled them with loathing. Moderate Democrats disclaimed the charges of radicalism. Later, objective business opinion would argue that the Sub-Treasury idea was innocuous but that "the great error it involves is in the dereliction of duty. . . ."49

⁴⁹Rives to Van Buren, June 3, 1837, Van Buren Papers; Madisonian, August 19, 23, 1837; Charles A. Davis to Biddle, September 27, 1837, McGrane, ed., Biddle Correspondence, p. 293; Boston Morning Post, July 4, 1837; Hunt's Merchants Magazine, I (December, 1839), 510.

CHAPTER V

THE POLICIES OF THE SPECIAL SESSION

The pecuniary pressures of the Panic of 1837 virtually forced the already factionalized Democratic party to conceive of a specific program. The editorials of Francis P. Blair led people to think that the administration had moved leftward, in order to defend the "people" against predatory business interests. The nature of the actual program, however, was quite tame.

The administration considered certain proposals essential to its own stability and to those elements of the business community with which it had working connections. Such proposals included granting extended credit to importers who were hard pressed to meet their duty bond obligations, means to provide for the deficiency in government revenues resulting from the panic, and cancellation of the fourth quarterly distribution to the states. On September 4, Van Buren delivered his special message to Congress. Although he noted that the use of state banks had not been sound policy, he made clear that he was not opposed to credit, stating that henceforth the government would refrain from stimulating speculation. Separation would indeed benefit the banks. The tradition of state regulation would continue, but the President hinted that a federal bankruptcy law might be necessary to use against bank corporations that

issued paper not redeemable in specie. The government would not resort to loans or increased taxation and would dutifully retrench its operations. Van Buren declared that the government had no obligation to aid citizens who suffered commercial losses. He denied that government had the power to regulate exchanges or to relieve commercial distress.¹

Blair's Globe hailed the message as a great defense of the rights of the people and approved of the non-intervention declaration. He claimed that federal relief schemes always aided the selfish few; in a sense that was ironic coming from a man who had grown wealthy from federal patronage. Weed called the message the work of a demagogue and said that now the lines were clearly drawn between Whiggery and Locofocoism. The Argus pointed out that there was little agreement between good Democrats and Locofocos.²

From the beginning various kinds of opinion criticized the administration proposals. The administration conceived of an issue of Treasury notes as the best way to meet the government's needs in a period of inadequate resources. Taney

¹Woodbury To Jackson, June 4, 1837, Bassett, ed., Jackson Correspondence, V, 485; Richardson, ed., Messages and Papers, III, 332, 334, 341-345. Regarding domestic exchanges, the Van Buren Democrats claimed that they could only be regulated by trade, and that high discount rates between areas only resulted from bad paper in some places. Paulding to Van Buren, September 10, 1837, Aderman, ed., Paulding Letters, p. 196; Woodbury, Writings, I, 569. See also Raguet, Currency and Banking, pp. 144-145.

²Globe, September 5, 7, 1837; Albany Evening Journal, September 7, 11, November 25, 1837; Albany Argus, September 9, December 8, 1837.

PAGE 107
MISSING IN
ORIGINAL COPY

program in expedient terms, but in many cases divisions among the rank and file took on aspects of class conflict, the divorce being viewed in somewhat symbolic terms as a stand against the business interests of the country. Meanwhile, the debates of the special congressional session were in progress.

The administration was primarily concerned with breaking the government's connection with banks and in providing for the immediate needs of federal finance. As Senator Niles asserted, people should get it out of their heads that Congress could reform the banking system. Others conceived of the purpose of the session being to remedy the depreciated currency problem. Conservatives feared a hard-money desire to contract the currency would be a "crusade of extermination got up against debtors. . . ." Basically that fear was unfounded, and men such as Buchanan held more reasonable opinions. Representing industrial Pennsylvania, he had no interest in eliminating paper money, and observed that the deposit system would have worked if a specie reserve at a three to one ratio had been required to back up circulation and deposits.⁵

Buren, November 23, 1837, Van Buren Papers; Globe, August 21, 1837; Senate Documents, 25th Cong., 1st Sess., nos. 9, 36; House Documents, 25th Cong., 1st Sess., no. 34; "Proceedings of a Meeting of the Democrats of Hamilton County, Ohio," September 29, 1837, "Proceedings of a meeting of Democratic-Republican Electors Opposed to the Sub-Treasury System," September 27, 1837, Van Buren Papers.

⁵Cong. Globe, 25th Cong., 1st Sess., p. 45 (remaining references to the congressional debates in this chapter will be for this session unless otherwise noted); ibid., appendix, p. 113; Madisonian, September 23, 1837, citing the Utica

Daniel Webster complained that no relief had been offered to the suffering country. Webster's definition of "relief" was far different from that of an unemployed worker. He declared that it was the duty of the government to stabilize interregional exchanges, and of course a national bank was the only way to do it. Official Democratic publications denounced the concept of relief, and some wondered if Congress were expected to pay the debts of the unfortunate. The ever-reasonable Silas Wright pointed out that various types of relief had been granted to the commercial classes: credit to the importing merchants and similar time extensions to the deposit banks for balances due the government. Cambreleng noted that such indulgences might act to curb contraction.⁶ Indeed, a good case can be made for the essential unity between the national state and certain segments of the business community when one surveys the approach of the "anti-business" party to the Panic of 1837. One proposal, however, seemed to be conceived in unfriendly terms.

When businessmen talked about the need for a federal bankruptcy law they meant that a unified system of bankruptcy

Observer; Cong. Globe, appendix, pp. 95, 102; Buchanan to Van Buren, June 5, 1837, Moore, ed., Buchanan Works, III, 252-255. Woodbury had utilized his legal discretion and required a reserve of the pet banks but not to the extent necessary to have prevented the adverse results of the Deposit Act. Timberlake, "Specie Circular," pp. 116-117; Scheiber, "Pet Banks," p. 205.

⁶Cong. Globe, appendix, p. 10; Democratic Review, III (November, 1838), 230-231; Cong. Globe, appendix, pp. 105, 113; ibid., pp. 65, 113.

proceedings among the states was desirable. Ultimately such proceedings were seen as a way for businessmen heavily in debt to return to "the glorious field of honorable competition." Benton had different ideas about the purpose of such a law; it should be applicable to corporations and wielded as a weapon by bank creditors against any bank which refused to meet its obligations with coin. National supremacy over state corporations might be justified because of the specific bankruptcy provision in the Constitution. Van Buren's reference to such a measure seemed out of context with the gist of his comments in the special message. The proposal never got out of committee in the special session; as Benton put it, "All that was wanted was a Congress to back him: and that was a great want! one hard to supply."⁷

Opposition to the administration's conception of a bankruptcy bill came from diverse sources: laissez-faire proponents, those who felt that a law applicable to corporations would be unconstitutional, states'-rights advocates, partisan Whigs, and people who thought that federal bankruptcy power should not be used to deal with the currency question. Weed savagely denounced the idea while Greeley at first favored it. Webster opposed such an anti-corporation concept and Benton engaged him in a constitutional debate. Old Bullion even mentioned that a similar attempt to apply the federal bankruptcy power

⁷Hunt's Merchants Magazine, IV (January, 1841), 31-33; Benton, Thirty Years View, II, 31, 44.

to bank corporations had been defeated in 1827, and the then Senator Van Buren had aided in the defeat. Benton conceived of such coverage as a way to save the currency from depreciation and to provide justice for all bank creditors. Clearly, Benton hated the legal advantages possessed by corporations. Viewed from a Locofoco position the bankruptcy proposal was the most significant one debated in the special session. But as the House Judiciary Committee noted, it was inexpedient to report such a bill.⁸

Interest focused on the issue of separating the government from all connections with banks. John Quincy Adams felt that its proponents thought the Sub-Treasury "to be the panacea for all diseases of the country." He overestimated the public spirit of the Democratic majority. To Senator Niles the only question was whether the relationship between banks and Treasury, "dissolved by the banks themselves," should be renewed. Senators N. P. Tallmadge of New York and William C. Rives of Virginia led the Conservatives, the insurgent Democratic faction which wished to continue using state banks as places of deposit for government funds. Tallmadge accused the administration of responding to "the levelling resolutions of ward and town meetings. . . ." That was evidently bad policy in a Democratic

⁸Charles Warren, Bankruptcy in United States History (Cambridge, 1935), p. 57; Albany Evening Journal, August 16, 1838; New-Yorker, September 9, 1837; Cong. Globe, pp. 128-131, 111. Obviously the individual enterpriser might oppose the spread of the corporate institution, but that only tells part of the story of the ineffectual efforts to control it.

society. Tallmadge advised the forgetful mechanics to realize that they owed their good wages to the credit system: "Credit is the poor man's capital. . .," the interests of all economic classes were reciprocal, and the current tendencies embodied a war on "the mercantile interest." The taxpaying merchants were the backbone of the government. Others invoked the wage-fund theory to prove conclusively that any reduction in capital precipitated by a war on the banks would inevitably bring wage reductions. Also, the numbers of government bureaucrats, less honest than bank directors, would increase if the government handled its own revenue. If the national state would only sanction bank notes, then confidence would return to the country. Indeed the most sensible theoretical argument involved the question of whether government rejection of bank notes impaired their security as a circulating medium. Some argued that the banks would be destroyed if government did not accept the notes.⁹ That of course was not true and the administration knew it.

The original bills presented by Wright and Cambreleng had not prohibited government acceptance of the bills of specie-paying banks. Wright argued that the measure would promote a sound specie supported credit. John C. Calhoun compromised the moderation of original intentions when he made a "bargain

⁹Charles F. Adams, ed., Memoirs of John Quincy Adams (Philadelphia, 1876), IX, 376; Register of Debates, pp. 109, 164, 169-172, 174; Cong. Globe, p. 54, appendix, pp. 336-337; Register of Debates, p. 131; Cong. Globe, p. 106, appendix, pp. 210, 297.

and sale of himself to Van Buren. . . ." Calhoun of course claimed that the President performed the sell-out, but the alliance seemed to be one of mutual political expediency. Calhoun decided to support the Sub-Treasury and added a "specie clause" to the measure which would set up a Bentonian policy of gradually increasing the percentage of government dues required to be paid in coin over a period of time with the ultimate aim of total specie transactions. He calculated that the specie clause would be a bulwark against future financial crises and declared that the commercial subserviency of South to North might thus be broken. Admitting the expediency of his move, the "honest nullifier" claimed that "he belonged to no party but the States rights. . . ." ¹⁰

Calhoun was no hard-money man and said that paper was necessary in business operations. Indeed paper money might be issued advantageously by the government to its creditors at their discretion. The basic problem was to have an ample but sound currency. "Government credit" such as the Russian ruble might provide the answer. Liberal credit was particularly necessary in times of business recession. In the House, another South Carolinian proposed that the government issue paper money, viewing Treasury notes as such an issue which

¹⁰Glyndon G. Van Deusen, The Jacksonian Era, 1828-1848 (New York, 1959), pp. 124-127; Cong. Globe, appendix, p. 119; Adams, Memoirs, IX, 398; Calhoun to Anna Calhoun, September 8, 1837, Calhoun to Andrew P. Calhoun, April 5, 1838, Calhoun to James E. Calhoun, September 7, 1837, Jameson, ed., Calhoun Correspondence, pp. 379, 394, 377; Niles' Register, September 16, 1837; Cong. Globe, pp. 74, 36.

would add to circulation.¹¹ Ironically, southerners who saddled the administration with the specie clause were not dominated by Bentonian proclivities. Ely Moore, "the prince of working-men," now began to consort openly with the Calhounite slaveholders in a peculiar alliance and reported that 99 out of a 100 workers supported the Sub-Treasury.¹²

Many not in moral opposition to bank paper considered it vital that the government accept the bills of specie-paying banks. However, the bourgeois liberal Robert Rantoul, Jr. of Massachusetts observed that the probable effects of the Sub-Treasury measure were over-rated by friends and foes alike. He noted that the government was relinquishing control of the banks and pointed out the indulgent course the Treasury had followed towards the banks. In one respect, the Sub-Treasury would have a therapeutic effect. The deposit system had caused expansion when deflation was in order; revenues increased during inflationary periods and agitated expansion. Divorce was a "useful palliative" in that it might tend to keep prices steady, but it was not "an effectual remedy."¹³

¹¹Cong. Globe, appendix, pp. 35-36, 124; Niles' Register, November 30, 1839; Cong. Globe, appendix, pp. 151-152.

¹²Adams, Memoirs, IX, 405-406; Cong. Globe, p. 138; appendix, p. 326.

¹³Hamilton, ed., Rantoul Writings, pp. 619-620, 626, 628-629, 633, 635-636. Rational diversity existed among the opponents of the Sub-Treasury. Those who wished the government to maintain a regulatory connection with banking took the same position as men more concerned about the easy profits of banking on federal deposits and those enterprisers worried about tight money.

The Sub-Treasury bill with the specie clause passed in the Senate by a 25 to 23 margin but the House tabled it for the remainder of the session by a 120 to 107 vote. William C. Rives' substitute bill fell by a 26 to 22 Senate vote. It would have continued the deposit bank system, allowed public dues to be paid in the notes of specie-paying banks, and provided for a gradual suppression of all notes under twenty dollars.¹⁴

The fourth quarterly deposit of the Treasury surplus was postponed with the stipulation that previously "deposited" funds would not be reclaimed by the government. Doubts had been expressed that the President would have the courage to go against the wishes of farmers and political friends in his own state who desired to receive the federal bounty. Critics charged that a "vested right" had been infringed and a sacred contract violated. Silas Wright admitted the inconvenience to New York but declared that his duty was to the nation. Some argued that because of depressed conditions it was necessary to get the funds out of banks and into circulation. Buchanan's amendment forbidding Congress to obtain the previous deposits was opposed by only twelve senators, including Benton, Wright, Rives, and Niles.¹⁵

¹⁴Cong. Globe, pp. 96-97, appendix, p. 156. See Democratic Review, IV, 31-32, 59-69, for a list of the measures and a record of the votes in the House and Senate during the special session.

¹⁵Herald, September 2, 1837; Azariah Flagg to Van Buren,

The Treasury note bill was highly popular in the Senate, less so in the House. From retirement Jackson denounced it as favoritism to the paper system and claimed that such a bill would bring relief to the banks. Essentially he was right; the notes would aid the government in time of embarrassment and also hopefully reduce pressures on the strategic elements of the business and financial community. The usual semantic acrobatics concerned whether or not the notes were a loan or an issue of paper money. Benton denounced them as paper money and then defended them as loans when he confronted Webster. Benton referred to any note issue as "government money," and Henry Clay took advantage of the situation to heap ridicule on the administration. Webster also saw a similar opportunity but voted for the bill and "continental money." Most of the Whigs would have preferred a loan to finance the deficit, and so would Benton. A few hard-money ideologues felt that there was no reason to reverse the healthy contraction now in progress. Calhoun's supporter in the House, Francis Pickens, offered a class-conscious interpretation of the Treasury note debate. Ridiculing the mutual reciprocity theories of men like Tallmadge, he uttered the unmentionable truth that "there is a conflict of interests upon this floor." Pickens implied that interest-bearing Treasury notes were chosen at the bidding of the financial community. On the other hand, he

May 26, 1837, Van Buren Papers; Albany Argus, September 15, 1837; Cong. Globe, pp. 52, 55, 29, appendix, pp. 301-302, 14.

supported divorce in order to get the banks away from the despotic government.¹⁶ Clearly the Calhoun followers were complex personalities.

Occasional references to "government money," Treasury notes, and the Sub-Treasury plan were evidence supporting the "Treasury bank" charge against the administration. Unfortunately, nothing so rational was in mind or even possible. The notes issued by the government were in denominations of fifty dollars or more, redeemable after one year, and receivable for all public dues. Between 1837 and 1843 some \$47 million in Treasury notes bearing interest of from one mil to 6 percent interest were issued by Democratic and Whig administrations. The structure of note issuance was a typical compromise between those who wished the notes to be a currency supplement and those who wanted them to be a loan advantageous to capitalists. The different interest rates determined the function of the notes. They served as currency, investment capital, and certainly as a moderate expansive device. To the opposition, however, the administration was now the paper-money party.¹⁷

¹⁶ Jackson to Blair, July 9, 1837, Bassett, ed., Jackson Correspondence, V, 497; Cong. Globe, pp. 113, 120; Register of Debates, p. 9; Globe, October 9, 1837; Benton, Thirty Years View, I, 567; Cong. Globe, pp. 22-23, 121; Register of Debates, pp. 520-521, 46; Cong. Globe, appendix, p. 11; Seward, Life and Letters, p. 340; Madisonian, October 10, 1837; Cong. Globe, p. 70; Benton, Thirty Years View, II, 35; Cong. Globe, p. 87.

¹⁷ Cong. Globe, appendix, p. 129; Davis Dewey, Financial History of the United States, 12th ed. (New York, 1968), p. 234; Benton, Thirty Years View, II, 33-35; Richard Timberlake, Jr., "The Independent Treasury and Monetary Policy Before the Civil

Curiously the Conservative viewpoint as represented by the Madisonian was at first indulgent toward the efforts of the special session. Answering the charges of partisan critics like Webster, the paper argued that the government had responded somewhat to the needs of the people. The operations of Congress had produced a favorable effect upon the money market. The Sub-Treasury was the big difference. Within a few months the Conservatives had totally rejected the administration.¹⁸

In November came news of the crushing defeat administered at the hands of the Whigs in New York. Victory cannons disturbed the repose of the President who soon received frenzied reports from friends. The farmers had defected, and the specie provision of the Sub-Treasury bill was unpopular. Anti-bank, hard-money rhetoric was less acceptable during hard times. The Democrats divided in every county, and manufacturing districts opposed the administration. Locofocoism was "a most frightful spook" and "nice" people feared "those levellers." Cambreleng, however, felt that the Locofocos would have polled more votes than the Tammany Democrats if reunion had not taken place. Ironically, Van Buren, seeking political advantage by identifying himself with "hard money," had led an administration which inevitably implied unkind things about banks. Most

War," Southern Economic Journal, XXVII (October, 1960), 93-95; Madisonian, May 19, 24, 1838.

¹⁸Ibid., October 17, 1837, January 9, July 4, 1838. See U. S. Statutes At Large, V, 201-207 (1837), for the legislation of the special session.

people identified the Regency with the New York banks.¹⁹ The Democratic defeat there demonstrated the deep contradictions imbedded in Jacksonian Democracy.

Van Buren again moved to the right and sought to conciliate the opposition. His references to banks became friendlier, and the administration seemed more willing to compromise during the regular session. A jubilant Henry Clay reported the rescinding of the Specie Circular by joint-resolution in May of 1838.²⁰

The administration had moved carefully in its efforts to develop a politically workable middle ground. It was an impossible task and even the Jackson wing of the party expressed displeasure over compromises with "principle." Opponents crowed that most of the party disliked the divorce idea. Congressional defection had indeed been greater on that issue during the special session. A friend had advised the President that it would have been wiser to offer the Sub-Treasury before the "relief" measures and bargain support for the measure, but

¹⁹Nevins, ed., Adams Diary, p. 488; James Webster to Van Buren, November 27, 1837, Enos Throop to Van Buren, November 23, 1837, Azariah Flagg to Van Buren, November 9, 1837, A. Vanderpoel, November 14, 1837, Peter Wendell to Van Buren, November 13, 1837, Cambreleng to Van Buren, November 9, 15, 1837, Van Buren Papers; James K. Paulding to Van Buren, November 13, Aderman, ed., Paulding Letters, p. 206; Curtis, "Heritage Imperiled," pp. 119, 254.

²⁰Richardson, ed., Messages and Papers, III, 381-382; Curtis, "Heritage Imperiled," p. 145; Boston Morning Post, March 30, 1838; Madisonian, June 9, 1838, citing the New York New Era; Clay to Biddle, May 30, 1838, McGrane, ed., Biddle Correspondence, p. 309.

that method had not been utilized.²¹

One final aspect of the Sub-Treasury plan needs to be noted. Calhoun felt that the plan with the specie clause would have a "favourable bearing on the Tariff question, which runs far deeper into the currency question, than is generally supposed."²² A government surplus could easily be disruptive to the money market if the government kept its own funds, and both the friends and the enemies of protective tariffs knew it. Calhoun saw the Sub-Treasury as an indirect attack on the tariff.

In order to gain needed support among southern "nullifiers" and to keep the confidence of Jackson's close friends, the Van Buren administration had accepted the specie clause proposed by Calhoun. Perhaps Van Buren lost more support than he gained, but clearly there were many legislators who did not wish to accept the Sub-Treasury in any form. The specie clause and the support for the bankrupt law were the two things that would indicate that the administration had moved to the left. Although some of his close followers seemed dissatisfied with the President, Jackson declared that he was proud of his chosen

²¹Taney to Jackson, May 28, 1838, Bassett, ed., Jackson Correspondence, V, 551; Benton to Van Buren, March 23, 1838, Van Buren Papers; Nicholas Biddle to Samuel Jaudon, June 23, 1838, McGrane, ed., Biddle Correspondence, p. 314; Curtis, "Heritage Imperiled," p. 133; Paulding to Van Buren, September 19, 1837, Aderman, ed., Paulding Letters, p. 200.

²²Calhoun to James H. Hammond, July 5, 1840, Jameson, ed., Calhoun Correspondence, p. 461.

heir.²³

Still, the overall nature of the program was conservative. The administration had tried to sense the uncertain mood of public opinion during a period of considerable economic tumult. Given the political handicaps under which he labored and the uncertainties involved, the President functioned reasonably well. Yet he could never free himself from his ideological preconceptions or seem to understand that the "middling" majority that he conceived of as his constituency was shifting somewhat away from the Old Republican concepts of individualism. Social adversity strengthened the Whig appeal. Whig arguments gained force from economic stagnation.

²³Jackson to Buchanan, December 26, 1837, Bassett, ed., Jackson Correspondence, V, 522.

CHAPTER VI

THE PEOPLE CHOOSE PROGRESS

Pressures and opinions which had emerged during the special session of Congress continued to haunt Van Buren Democrats. Conservative propaganda constantly charged the administration with agrarian tendencies. This was not such a fantastic allegation once analysis penetrated the smokescreen of rhetoric. Conservatives predicted that their antagonists wished to overthrow "all laws for the protection of private property." Since the legalistic armor of contract did protect property, such wild charges could be attributed to apprehension regarding future possibilities. The Democratic Review, the organ most closely expressing the views of the Van Buren inner circle, at first wavered in its view toward contracts. While identifying with Locofocoism, the Review declined to take a radical stand on the "revocability of charters" issue. Indeed, the magazine observed that there was no danger of radicalism in the United States since most men owned land or a house. The leaders of the administration were "stout defenders of order and property." Soon, however, the Review took the left-of-center view that a corporate charter was not a contract to be protected by the judiciary but rather a law subject to legislative modification.¹

¹Madisonian, October 13, 1838, citing the New York Times;

Administration spokesmen now spoke kindly of the Loco-focos and said that "the principles of this little knot of sincere democratic reformers were those always cherished by Mr. Van Buren. . . ." The American people were now more receptive to "ultra" doctrines, they believed, and the party was a radical force pursuing social justice. Van Buren's enemies declared that the government was encouraging a "very numerous" group that desired a completely hard currency, and its Sub-Treasury plan was provoking a loss of faith in the paper money issued by banks. Perhaps it is true, as Bray Hammond implies, that Van Buren embarked on a course designed to fool both hard-money radicals and the friends of the banks. Ultimately the Sub-Treasury plan meant that all possibility of federal regulation of the financial community had been removed. Neither banks or paper money were in actual danger.²

By 1840 both parties claimed to accept the broad principles of equal rights and antimonopoly. James Gordon Bennett announced an impending "great contest between ideal democracy and practical democracy." He felt that the administration wanted to return to the past and neglected the possibilities

Democratic Review, III (October, 1838), 105-107, 110-111, V (January, 1839), 98.

²Ibid., VII (April, 1840), 294; John Niles to Van Buren, December 28, 1839, Van Buren Papers; Boston Quarterly Review, II (October, 1839), 488; Richard Hildreth, Banks, Banking, and Paper Currencies (New York, 1840), pp. 109, 98; B. Hammond, Banks and Politics, pp. 496-498. Van Buren's support of a bankruptcy law applicable to corporations somewhat qualifies Hammond's view of the President's intentions.

of great economic development. Democrats like Francis Blair did sometimes speak of "city luxury and corruption." In general, the major philosophical difference that could be discerned between spokesmen of the two broad party coalitions was this: the ideological Democrats often spoke of the simplicity of natural law which meant the purity of a laissez-faire existence; the ideological Whigs perceived a different kind of natural law, the futuristic inevitability of progress, a destiny that should be actively pursued. A writer in the North American Review proclaimed that of what "little avail is the resistance of any human power, when directed to check the development of a country like this." Robert Rantoul spoke of Whig "hatred of all theory," but the Whigs merely held to a different theory.³ Already these two basic teleological concepts were tending to merge in many minds and form the crux of a peculiarly ambivalent American social philosophy in which nature's benevolent simplicity and an engineered destiny could co-exist.

The ideological differences were more often representative of differences of opinion concerning priorities of the rising order than of political argument. William Cullen Bryant opposed usury laws, arguing that one might as well regulate the price of goods as of money. In Bryant's eyes the lender was not the villain; the borrower was "the gay deceiver." But

³Benson, Concept of Jacksonian Democracy, p. 105; Herald, January 24, 1840; Blair to Jackson, December 23, 1838, Bassett, ed., Jackson Correspondence, V, 575; North American Review, LI (October, 1840), 322; Boston Morning Post, April 24, 1838.

other spokesmen of liberal capitalism saw usury from the standpoint of the borrower and thought the laissez-faire approach to interest rates absurd: "It should be to the fostering and sustaining of industry, that all our laws should tend. . . ." In short, one could not put his faith in laissez faire when the pursuit of progress was involved. Just as the new industrial order sought to suppress the sometimes inconvenient restrictions of laissez faire, reality compelled reformers to resolve conflicts between the needs of the new order and cherished ideas. When a series of steamboat explosions drove the federal government into the responsibility of machinery inspection and licensing, Treasury agent William Gouge declared that "this is a monstrous power; but it is a monstrous evil it is intended to avert."⁴ So it was that the laissez faire platitudes, which later became the philosophic defense of industrial capitalism when entrenched in power, at first were undermined by the pressures generated by the rising order.⁵ Laissez faire could not bring the dream of progress to fruition,

⁴Evening Post, March 29, April 4, 1837; unsigned letter, Albany Evening Journal, April 12, 1837; Leonard D. White, The Jacksonians: A Study in Administrative History, 1829-1861 (New York, 1954), pp. 445-446, quoting Gouge.

⁵The confusion resulting from conflicts between ideas and reality might be illustrated by noting that after the 1837 panic Leggett said that trade must either be left wholly free or placed under effective control. Leggett, Writings, II, 318. After the Civil War, Bryant could be found in the ranks of free-trade "liberals" who clearly were not social reformers. Irwin Unger, The Greenback Era: A Social and Political History of American Finance, 1865-1879 (Princeton, 1964), p. 138.

and it could not reform the evils created by the pursuit of that progress. Thus philosophic confusion resulted. It existed in the assembled forces of middle-class capitalism, and, as has been shown, in the tiny ranks of the Locofocos.

The Van Buren administration received criticism from major figures associated with Andrew Jackson who believed that the administration had compromised Jacksonian principles. On the other hand, Theodore Sedgwick, Jr., a middle-class liberal who wrote in the Evening Post as "Veto," criticized Van Buren for different reasons. Sedgwick, often regarded as a harbinger of Locofoco attempts to purify the Democracy, complained that the administration had alienated the commercial class through the "ultra language" employed by its organs, its professed opposition to small bills, and the specie provision of the Sub-Treasury plan.⁶ This indicates something of the class divisions and conflicting goals that existed among the reformers. It also tells something of the pragmatic way in which the administration sought to reconcile the ascertained needs of political expediency. The fragmentary evidence of the activities of Locofoco leaders following their return to the Democrats in 1837 sheds only faint light on the nature of the national administration.

At first a few of the major Locofoco figures appeared to be active functionaries of the New York City Democratic party. In April of 1838, Ming and Townsend addressed ward meetings

⁶Evening Post, December 3, 4, 1838.

aimed at the working class and protested tax increases which they claimed raised the rents of the poor. Several ex-Locofocos served on a "mechanics and workingmen's committee" within Tammany. Townsend was an unsuccessful Assembly candidate in 1838 and in the following year was president of the Social Reform Society in New York City. After the Locofoco demise of 1837, Clinton Roosevelt lectured on banking and speculation. In the summer of 1839, he wrote that he and his friends were neglected by party leaders. Van Buren ignored him, and the party seemed "glad of my silence." Roosevelt lamented "the destruction of my private prospects in America." In 1841 he wrote The Science of Government Founded on Natural Law, which proposed a systematic organization of industry along "authoritarian" and decidedly non-laissez-faire lines.⁷

Mass park meetings continued to occur in New York City. John Commerford, John Hunt, and Ming led one in 1838 which expressed favor for a general banking law and opposed small bills. In the depression year of 1840, a huge meeting concerned "those evils which render the life of the laborer a curse to be borne. . . ." The omnipresent Ming made a speech, and Byrdsall was recording secretary. Prices, paper money, banks, duties on necessaries, and free-trade immigration were topics under discussion, and were of course old grievances. Byrdsall became

⁷Ibid., April 5, October 31, 1838; Boston Quarterly Review, II (October, 1839), 478; New-Yorker, November 23, 1837; Roosevelt to Jackson, July 8, 1839, Jackson Papers; Joseph Dorfman, The Economic Mind in American Civilization (New York, 1946), II, 660.

a staunch supporter of John C. Calhoun and wrote his leader that "the radical portion of the Democratic party. . . is the very portion most favorable to you." Byrdsall organized the Free Trade Association, and Commerford became its first president. The two men continued to support Calhoun throughout the 1840s.⁸ They were bitter men, and when one recalled the great labor speeches Commerford had made prophesying a futuristic democratic state which controlled the economic system for the welfare of all citizens, it seemed tragic. Their support for Calhoun revealed what such men felt about the realities of political and economic power in the United States.

A young conservative named George Templeton Strong sneered at New York City Democrats, feeling that they took in all of the disreputable elements of the social stratum and appealed to the unwashed and the heathen. But if the city organization now directly appealed for the votes of the poor, it was still controlled by many of the old middle-class leaders. As the last long stage of the economic downturn submerged the country in depression, the President heard that the working men of the city were becoming indifferent to party politics. The "Semi-Conservatives" controlled the local patronage, and Locofoco

⁸ Globe, February 9, 1838; clippings, "proceedings of a mass meeting in New York City," March 6, 1840, Van Buren Papers; Fitzwilliam Byrdsall to Calhoun, October 11, 1842, Annual Report of the American Historical Association, 1929, Chauncey Boucher and Robert P. Brooks, eds., Correspondence Addressed to John C. Calhoun, 1837-1849 (Washington, 1930), p. 178; Byrdsall to Calhoun, November 6, 1842, March 18, 1844, August 25, 1844, July 19, 1847, Jameson, ed., Calhoun Correspondence, pp. 861-862, 940-942, 965-967, 1126.

names did not even appear as nominating delegates at the ward level.⁹

The Democrats won the municipal elections in 1839, and the President became elated because the state was "virtually redeemed." The great losses suffered in 1837 were slowly recouped, although Ely Moore and Cambreleng were retired from the House. The Whigs made the Sub-Treasury an issue in New York elections, claiming that it threatened the bank credit which had made the Republic great. Weed said that small bills were the central issue in 1838, and attitudes toward them seemed to be the most significant difference between the two parties. Whig leader William H. Seward became governor in 1838, proclaiming that it was definitely the duty of the state to foster enterprise. Democrats groped for an explanation of Whig popularity and tended to blame election losses on the "money power." Cambreleng felt that rising urbanization was undermining the Democratic party, which claimed to represent "the landed interest," although many farmers would have disputed the assertion. Many Democrats tended to believe that a firmer stand against evil would bring back wayward voters. In 1839 the party tried to cope with the enigma of why it ran better in New York City than in the state as a whole; a spokesman noted that "in the city men move in masses," apparently

⁹Nevins, ed., Strong Diary, I, 94, 147; Stephen Harsbrouck to Van Buren, February 16, 1840, Van Buren Papers; Washington National Intelligencer, February 21, 1840; Herald, March 14, 1840.

with no sense of irony.¹⁰

New York State provided an explicit example of the national divisions between varied groups of business-oriented people. Seward, who, like many members of the Regency, had engaged heavily in enterprise and speculation, emphasized improved education, internal improvements, and antimonopoly. He had the ideological orientations of a twentieth century Progressive. He believed that it was "the bounden duty of the legislature to adopt measures for overcoming physical obstructions to trade and commerce. . . ." He hoped that he acted "in harmony with the spirit of the age." There is little doubt that he did. Democratic Conservatives approved of his doctrines.¹¹

The Whig plan for progress was outlined in the famous Samuel Ruggles' report of 1838. Ruggles, chairman of the New York Assembly's Ways and Means Committee, proposed an ambitious internal improvements program. He declared that there was no need to fear a state debt incurred to benefit the "public

¹⁰Van Buren to Jackson, April 14, 1839, Van Buren Papers; Albany Argus, April 13, 1839, April 16, 1840; Albany Evening Journal, June 2, 1838; Niles' Register, November 17, 1838; Jeffersonian, October 6, 1838; Albany Evening Journal, October 15, 16, 1838; governor's message, Jeffersonian, January 5, 1839; Azariah Flagg to Van Buren, November 9, 1838, John Dix to Van Buren, November 15, 1839, Cambreleng to Van Buren, November 9, 12, 1839, George Throop to Van Buren, November 21, 1838, Van Buren Papers; Albany Argus, January 25, 1839; Albany Evening Journal, November 19, 1838, citing the New Era; Democratic Review, V (January, 1839), 6-7, VI (December, 1839), 500-504.

¹¹Glyndon Van Deusen, William Henry Seward (New York, 1967), pp. 38-42; governor's message, Albany Argus, January 7, 1840; Seward, Life and Letters, p. 506; Madisonian, January 8, 1839.

welfare." In the main, the Democrats had always supported improvements. As a New York legislator had argued, improvements were really welfare legislation for farmers and workers. After the Whig rise to power, a division occurred between the parties over the financing of such projects. Democrats argued that taxation should pay for them and that a large debt must be avoided. They professed to be friendly to state enterprise, preferring that to aiding private corporations. Agrarian free-traders such as Samuel Young expressed a grave concern for the state's credit. The Whigs did overdo their spending efforts and undermined the credit of the state.¹²

The Free Banking Act of 1838 was Seward's depression remedy for New York. It was a significant creation that must stand as symbolic of the times; it was the triumph of inflationary thought. Certain aspects of the banking controversy need to be mentioned before discussing that notable innovation. The debate over banks was more complicated than appears on the surface. Albert Gallatin represented a conservative kind of banking opinion that was based solidly upon a firm belief in "sound money" and laissez faire. Restrictions on paper issues

¹²Ruggles' report, Albany Argus, March 23, 1838; ibid., February 29, 1836, September 4, 1839; Niles' Register, June 20, 1840; Herbert Donovan, The Barnburners: A Study of the Internal Movements in the Political History of New York State and of the Resulting Changes in Political Affiliation, 1830-1852 (New York, 1925), pp. 14-15, 19-20; Albany Argus, June 4, 1839; Boston Morning Post, February 16, 1839; Young's report on state finance, Albany Evening Journal, June 24, 1840; Van Deusen, Seward, p. 75; Don C. Sowers, The Financial History of New York State, from 1789 to 1912 (New York, 1914), pp. 69-70; Donovan, Barnburners, pp. 22-24.

and requiring individual pecuniary responsibility of the human stockholding components of financial corporations would bring stability. Gallatin and Azariah Flagg both opposed suspension, feeling that the power to issue notes should be withheld when a bank suspended specie payments. James Gordon Bennett was not necessarily being facetious when he said that Biddle and Jackson both had sound ideas on money.¹³

Considerable conflict existed between city and "country" banks in New York. The New York City banks usually had larger capitalizations and substantial deposits to utilize. They did not have to issue notes for profit as did the country banks. Confusion over the complex question of banking resulted from note issuance being combined with deposit and discounting functions.¹⁴ The problem of an unstable paper currency which often tended to depreciate in value somewhat compromised a general friendliness to the virtues of easy credit.

The Safety Fund banking system, established in New York in 1829, actually provided more security for stockholders than stability for the circulating currency. The banks contributed to a fund on the basis of capitalization. The fund was to be

¹³Van Deusen, Seward, p. 45; Gallatin to Flagg, December 31, 1841, Henry Adams, ed., Writings of Gallatin (Philadelphia, 1879), II, 563-572; unsigned letter, Globe, February 14, 1838; Raguet, Currency and Banking, appendix, pp. 268-270; House Documents, 25th Cong., 3rd Sess., no. 227, p. 205; Herald, December 25, June 1, 28, 1837.

¹⁴Hildreth, Banking and Paper Currencies, p. 198; Albany Argus, February 11, 1835; Raguet, Currency and Banking, p. 185; Herald, May 26, August 22, 1837; Democratic Review, II (April, 1838), 10, 16; Hamilton, ed., Rantoul Writings, pp. 605-606.

used to redeem the notes of banks which failed. New York City bankers felt that the system favored rural banks, which issued more notes but generally were capitalized lower. The system violated the moral principles of laissez faire on two counts: by requiring strong banks to secure the weak and by exempting stockholders from personal responsibility.¹⁵

Support for repeal of the restraining law, which required special legislative charters for banks, came from two divergent groups by the middle 1830s. Men who wished to increase credit facilities and those who aimed at ending monopolistic control over the currency by existing banks promoted the principle of "free banking." Because of the nature of the bank note, conflicting ends were sought by shared means. By 1837 majority opinion seemed to favor free banking, but those less interested in easy credit and inflation felt that small-note prohibition should accompany any expansion of facilities. Samuel Young wished the prohibition of notes under fifty dollars. The ambivalence of the free bank campaign was evident as Young was attacked because he, an anti-corporation man, now wanted "to let in upon us legions of corporations. . . ." Young, however, based his faith in laissez-faire banking on note prohibition and "unlimited personal responsibility."¹⁶

¹⁵Chaddock, Safety Fund System, pp. 255-267. The Safety Fund structure indicates that laissez faire was not a moral concern for Van Buren. See Blau, ed., "Theodore Sedgwick, Jr.," Social Theories, p. 229.

¹⁶Governor's message, Albany Argus, January 2, 1838; Evening Post, November 13, 1837, New-Yorker, August 26, 1837; Albany Argus, January 16, 18, March 31, 1837.

The economic troubles of 1837 stimulated interest in banking reform, usually expressed in the rhetoric of natural rights and the conspiratorial nature of business cycles. Demands for elimination of paper money were rare. The primary emphasis was on easy credit, and that seemed to be a concern that had little to do with political affiliations. Silas Wright was dubious but knew that many Democrats favored a general law authorizing free banking. In 1837 the New York Senate's Bank Committee tried to repudiate the natural-law justification for open banking, but the tide was too strong. The Whigs considered their election sweep of 1837 as a mandate for reform. The Free Banking Act of 1838 resulted.¹⁷

The act allowed citizens possessing \$100,000 in actual capital to enter banking without legislative sanction. Bank notes could be issued provided that bankers deposited security composed of bonds and real estate paper with the state. The act required the banks to keep a 12½ per cent specie reserve. The legislature dropped the reserve clause in 1840. The failure to include stockholder liability or prohibit small notes indicated the true nature of the measure. Reaction to the law

¹⁷Evening Post, March 24, 1837; House Documents, 25th Cong., 3rd Sess., no. 227, pp. 204, 206; New York Senate Documents, no. 10, I (1837); Albany Evening Journal, April 5, 16, 1837; Charles Livingston to Jesse Hoyt, January 12, 1837, Mackenzie, Van Buren, p. 178; report of the bank committee, Albany Argus, March 6, 1837. See the Samuel Young report, which is a concise summary of the natural-law, laissez-faire, atomistic, conspiratorial, and hard-money attitudes of the Democratic rural left wing which certainly did not dominate the New York party. New York Senate Documents, no. 68, II (1838), pp. 1, 4-5, 10-11, 31, 34.

was varied and did not conform to party lines. Some Conservatives called it an "agrarian banking law," while laissez-faire men thought that it had too many restrictions. Tammany Democrats supported the law. The bill had been a compromise measure so dissatisfaction over details was to be expected.¹⁸

The Democratic Review expended considerable space in dissecting the law and claimed that the legislature had created a new mode of inflation which only aggravated existing evils. Some kind of check was needed on the paper issues of state banks, but the ultimate goal must be to move in the direction of natural simplicity where no state controls were necessary. Here, of course, was the central dilemma of many ideological Democrats. The Review noted that the Free Banking Act did not guard against overissues or fluctuations; it was an example of how "the devil can quote scripture." Yet the periodical also complained that "the spirit of monopoly" had been retained by the law because only the wealthy could meet the minimum capital requirement. It was a bill designed to serve the needs of borrowing enterprisers and not the public. The Review recognized that the need for long-term loans had been met. The analysis was essentially correct. The essence of free banking

¹⁸Jeffersonian, April 28, May 5, 1838; Raguett, Currency and Banking, appendix, pp. 243-258, for the text of the law; Taylor, Transportation Revolution, pp. 316-317; Madisonian, June 12, 1838; Evening Post, April 21, 1838; James K. Paulding to Azariah Flagg, January 27, 1839, Aderman, ed., Paulding Letters, pp. 245-246; Enos Throop to Van Buren, April 26, 1838, Van Buren Papers; Globe, August 17, 1838, citing the New Era. Some credit expansionists opposed a required specie reserve because it violated "the laws of trade." Albany Evening Journal, April 5, 1838.

was the spirit of progress and represented the deliberate choice of inflation as a means to achieve progress.¹⁹ The chaos of the business cycle was the price extracted from the community; the community as a whole seemed willing to pay the price. Those not captivated by the vision of a materialistic millenium formed a fragmented minority undermined by their own ideological preconceptions. Certainly the humane values proclaimed by Locofocoism exerted little force against the promise of progress.

The immediate expectations of free banking supporters were not fulfilled. By January of 1839, fifty-four new banks had been established in New York, but easy credit had not been realized. Curtailment by the Safety Fund banks cancelled the expansive effects of the new banks. The free banking reform disenchanted radicals such as Orestes Brownson; he maintained that prohibition of small notes was still the essential need. The Panic of 1837 undermined efforts previously made in New York to ban small bills. A lengthy debate in 1838 between

¹⁹Democratic Review, V (February, 1839), 231-232, 237-239, (May, 1839), 428, 431-432, 440-443; B. Hammond, Banks and Politics, p. 573. Hammond characterizes these developments as a victory of Jefferson over Hamilton, but one in which Hamilton would have recognized defeat more readily than Jefferson would have recognized victory. Ibid., p. 599. See Hammond's discussion concerning the pressures that molded bank attitudes and policies. The multiple functions required of banks made nearly insoluble the currency-credit enigma. The banks were what the borrowers made of them: "Banks in general were under stronger pressure to lend on easy terms than to meet their obligations. . . ." B. Hammond, "Long and Short Term Credit in Early American Banking," Quarterly Journal of Economics, IL (November, 1934), 93-96, 102.

the Whig-controlled Assembly and the Senate finally resulted in a compromise suspension of the 1835 small-note law for two years. The victors claimed that petitions appealing for this measure were more plentiful than over any recent issue. In 1840, to counter differences in exchange rates that existed in the state, the Whigs helped to pass a law which required that bankers keep agents in Albany and New York City to redeem their notes with only a fractional discount.²⁰ Here was an effort to use the state to legislate a standardized currency without contracting it.

On the other hand, the national Democrats were busily trying to remove the federal government from any legal or regulatory connection with the chaotic banking structure. The Democrats were not able to get the Sub-Treasury bill passed until July, 1840. Of course the bill had had a de facto existence for the years 1837-1840. The law stipulated that after three years all government dues and payments would be made in specie. New York City Democrats celebrated this "second declaration of independence," with Ming, Lawrence, and Rantoul representing a divergent alliance. Continued relationships with banks somewhat compromised the spirit of the Sub-Treasury

²⁰Democratic Review, V (May, 1839), 433-435; Niles' Register, May 16, 1840; Chaddock, Safety Fund System, p. 306; Boston Quarterly Review, III (January, 1840), 96-102; Jeffersonian, February 17, 24, March 3, 17, 1838; New York Senate Documents, no. 38, II (1838); Albany Evening Journal, May 16, 1840. Much of the currency issued by the "free banks" was in the five dollar and under denominations. Hunt's Merchants Magazine, I (July, 1839), 82-83.

concept, and purists such as Benton were not fully satisfied.²¹

Even though the Democrats were surrendering functional regulatory connections, the basic sincerity of some leaders in wanting to check a debased currency cannot be questioned. Some continued to show interest in a bankrupt law which would apply to bank corporations. Benton led an unsuccessful fight which revived after the 1839 panic plunged the economy downward again. Benton's hatred of corporations led him into the position of arguing for creditor rights. The Whig viewpoint defended the multitude of enterprisers indebted by depression misfortune. Since the bill which Congress debated in 1840 applied only to debts in excess of \$500, Benton concluded that it ignored the interests of small debtors and creditors. He claimed that corporations were "above law and government" and that the public nature of banking required that federal authority be supreme over it. The Senate defeated a proposal to include banks in the bill. Some business organizations also argued the creditor point of view but did not show any interest in the inclusion of corporations. They claimed that voluntary bankruptcy release should only be allowed to a debtor when a majority of his creditors agreed.²² Essentially the paragons

²¹U. S. Statutes at Large, V, 385-392 (1840); Madisonian, August 7, 1840; Albany Argus, July 30, 1840, citing the New Era; National Intelligencer, October 3, 1840; Margaret Meyers, The New York Money Market (New York, 1931), I, 181. See Timberlake, "Independent Treasury," pp. 96-97, on the continued central banking efforts of the Treasury Department.

²²James Lee to Van Buren, November 6, 1839, Van Buren

of capitalism and enterprise fought this debtor-creditor battle. Those who wished to wield bankruptcy against the corporate institution were an ineffectual minority.

Another issue that appeared on the surface to have class implications was that of a liberalized land policy. Organized labor had favored making public land more accessible to the poor, and even more conservative thought was sometimes responsive to the surplus labor theme. Cheap land—which meant the Benton plan for reducing the price of federal land according to length of time unsold—was a labor issue, but many western citizens also favored such a policy, which was called graduation. Preemption was another basic aim of those favoring an equitable land policy and meant actual settlers and even squatters could have first rights at purchase without going through the auction process. Congress periodically passed temporary preemption laws, but they never halted the land speculation which most politicians claimed was evil. The House Committee

Papers; Globe, April 7, 1840; Herald, April 30, 1840; Van Buren to S. L. Danfield and others, Albany Argus, October 12, 1840; Cong. Globe, 26th Cong., 1st Sess., appendix, pp. 487, 503-506; Niles' Register, June 6, 1840; National Intelligencer, February 28, May 13, 1840; Albany Evening Journal, February 17, May 20, 1840; Madisonian, June 25, 1840; Senate Documents, 26th Cong., 1st Sess., nos. 506 and 548; Warren, Bankruptcy, pp. 60-68. See Benton, Thirty Years View, II, 233, for a concise statement on the bankrupt bill passed in 1841. It was "an insolvent law for the abolition of debts at the will of the debtor." That was perhaps a slight exaggeration; however, it did apply to big operators while workers were only entitled to extract up to twenty-five dollars in back wages from insolvents. U. S. Statutes at Large, V, 440-445 (1841). Marvin Meyers comments on the tolerance shown by the community to the "honest bankrupt." Jacksonian Persuasion, p. 97.

on Public Lands reported favorably on a graduation bill late in 1837, but the House failed to act upon it. The General Land Office offered an adverse evaluation of preemption and graduation to the President. Van Buren, however, favored preemption because it would not put any pecuniary burden on the government, and he justified graduation because it would tend to produce a greater density of settlement which would make the frontier easier to defend. In 1840 he claimed that preemption was one kind of legislation that would benefit the "people." Many conservatives supported Henry Clay's idea of distributing the proceeds of land sales among the states in order that enterprising projects might be financed without the political embarrassment of increased taxation. Maximum income from land sales would be the primary concern of such people. In 1840 Democrats charged that "log cabin" Whigs were reluctant to liberalize the land laws, and that seems to be generally correct. Two temporary preemption laws passed during the Van Buren tenure with many western Whigs voting with the Democrats. Graduation could not be enacted, and in 1844 John Commerford indicated a belief that Van Buren had not been forceful in obtaining "their rightful inheritance" for the people.²³ Southerners

²³Union, April 25, May 23, 1836; Commons, ed., Documentary History, VI, 240, 280-281; Milton Skinner to Moses Tilden, January 3, 1837, Van Buren Papers; Paul Gates, The Farmers Age: Agriculture, 1815-1860 (New York, 1960), pp. 67-68; Benton, Thirty Years View, II, 126-127; House Reports, 25th Cong., 2nd Sess., no. 202, pp. 2-3; Matthew Birchard to Van Buren, October 24, 1837, Van Buren Papers; Richardson, ed.

tended to oppose anything that would reduce revenues and provoke a tariff increase. Thus, real political problems stymied enactment of graduation. Perhaps a clearer picture of administration concern for the poorer classes emerges from an investigation of governmental relationships with wage earners.

As the presidential election of 1840 drew near, reports of an unhappy working class served to disturb the hopes of Democrats. Factory layoffs and wage reductions were common in Connecticut, and John Niles felt that Whig factory management pressured unskilled workers into opposition to the administration. Democrats such as Niles believed the depression to be an unfair curse laid upon them. Whig leader Daniel Webster constantly reiterated the economic stagnation theme; he reported the textile, woolen, iron, and coal industries to be particularly slow. He emphasized the importance of needed stimulation to purchasing power as the means to recovery.²⁴

By this time the skilled workers were nearly as fragmented as the unskilled groups had always been. The trade union

Albany Argus, September 16, 1840; Clay to Wm. Turner and J. T. Dodge, Niles' Register, May 18, 1839; Albany Evening Journal, March 2, 1840; Albany Argus, June 16, 1840; Globe, June 8, 1840; U. S. Statutes at Large, V, 251-252 (1838), 382 (1840); Frederick J. Turner, The United States, 1830-1850: The Nation and its Sections (New York, 1935), p. 476; Commerford to Jackson, April, 1844, Jackson Papers.

²⁴Niles to Van Buren, April 8, 1840, Van Buren Papers; Niles' Register, April 11, 1840. The laissez-faire economists felt differently about "purchasing power" and hence saw no virtue in "non-productive" public works. Raguett, Currency and Banking, p. 58.

movement had been smashed by the Panic of 1837, and only isolated local organizations remained. Viewed from a radical position, that had been an unfortunate time for disintegration because late in 1836 the unions had been planning to put new emphasis on cooperatives designed to check the proliferation of that great American institution, the middle-man. John Commerford had signed a report which declared that funds could be better expended on cooperatives than on strikes. After the initial panic and downturn, business revived again in 1838 and unemployment receded. The union movement did not revive on any consolidated scale. The second crash of 1839 sent the country into possibly the most severe depression of the nineteenth century, although accurate statistics measuring precisely the declines in income and employment are not available. The winter of 1839-40 in New York City reportedly was the hardest in history as destitution increased and inadequate remedial facilities strained to cope with the problems. Suffering was greater in the cities than elsewhere. Administration critics kept repeating that a money contraction directly related to Democratic policies was the direct cause of the sick economy.²⁵

Indeed, for two years Horace Greeley had repeated the doctrine that a politically-instigated contraction of the

²⁵Joseph Rayback, A History of American Labor, 2nd ed. (New York, 1966), p. 92; Commons, ed., Documentary History, VI, 293, 299; Nevins, ed., Hone Diary, I, 355; Boston Morning Post, May 18, 1838; Douglas C. North, Growth and Welfare in the American Past (Englewood Cliffs, New Jersey, 1966), p. 32; National Intelligencer, January 31, February 7, 1840.

currency would discourage enterprise and bring unemployment. High prices were beneficial to all sectors of the community. Thurlow Weed attempted to attract votes of specific trades identifiable with the Whig proclivity for vigorous improvements construction. The once-independent and respected shoemakers of Lynn, Massachusetts, had joined the Whig ranks by 1840. The artisans of that increasingly industrialized community had been subjected to company-issued script (store orders) as a substitute for cash wages during the depression. At its most ludicrous, the Whig appeal advised workers that "if you wish to be poor and trodden down, and to see your wife starving and your children in ignorance, vote for Martin Van Buren."²⁶

Logically, one could now expect fewer workers to view money primarily from the standpoint of a consumer. A recent historical suggestion observes that the hard-money appeal would be "particularly attractive to low-skill and unskilled workers with limited horizons."²⁷ The writer offers the reasonable appraisal that the Democrats appealed both to economically rising and declining groups, but he is perhaps wrong about the political attitudes of unskilled workers. During times of

²⁶Jeffersonian, March 17, 1838; Albany Evening Journal, November 7, 8, 1838, March 12, 1840; Norman Ware, The Industrial Worker, 1840-1860 (Chicago, 1924), pp. 40-41; Denis T. Lynch, An Epoch and a Man: Martin Van Buren and His Times (New York, 1929), p. 457, quoting an editorial from the Courier and Enquirer.

²⁷Michael A. Lebowitz, "The Jacksonians: Paradox Lost?" Towards a New Past: Dissenting Essays in American History, edited by Barton J. Bernstein (New York, 1967), p. 78.

readily-available employment it is natural for low-paid, un-organized men to conceive of themselves primarily as consumers. That had been the Locofoco appeal. With an increasing scarcity of steady work, employment itself becomes primary, and the laborer can more easily be convinced that currency contraction (i.e., hard money and the Sub-Treasury) has immediate and ominous implications for him. The divisions of status, ideology, and function are as subtle within the American working class as they are within the middle class, but probably the unskilled worker was more likely to be persuaded by Whig arguments than the skilled journeyman. His short-range situation was more likely to be critical, and therefore he would tend to lose interest in the Democrats' long-range promises of stability and real wage increases.

The unskilled worker's employment became more irregular, and apparently his wages declined faster than those of the skilled worker. A limited look at wages paid on federal public works indicates that the pay of journeymen and laborers was about the same in 1840 as in 1838; the rates for the unskilled had declined slightly from those of 1837.²⁸ Yet the damaging

²⁸ See House Documents, 25th Cong., 2nd Sess., no. 439 and 26th Cong., 1st Sess., no. 250, pp. 3-5, for information from the Commissioner of Public Buildings on wages prevailing in Washington in 1838 and 1840. Also see Daniel Patterson and others to Van Buren, February, 1837, William Stewart to Robert Mills, April 6, 1837, William Strickland to Robert Mills, April 6, 1837, Van Buren Papers, for a sampling of wage scales in cities with federal naval works. Information on wages during this period is scattered, and only guesswork can calculate real wage shifts, although it is believed that on the whole they remained

declines seem to have come in an area of work affecting many more people than federal employment. By the spring of 1840 wages had fallen from 25 to 50 per cent for workers on railroad construction. Employment on canal projects became quite irregular, and by 1839 building construction in New York City was one-third what it had been in 1836. Whig spending policies eased the situation somewhat in May of 1840 when 9000 men were reported to be working on new Erie canal improvements. On the other hand, a large and violent strike occurred on the Croton Water works when laborers demanded that wages be returned to the previous level of \$1.00 a day. The state militia broke the strike. In one year the wages of laborers fell from \$1.25 to \$.87½ a day. Canal corporations often issued their own notes, sometimes not payable for a few months, although that information was noted in small print on the bills. Some strikes began over non-payment of wages, and once a canal contractor offered to settle with his men for 25 cents on the dollar. New York State officials paid laborers in depreciated currency.²⁹ Persuasive argument might convince workers that the currency

stationary during the antebellum period. Stuart Bruchey, The Roots of American Economic Growth, 1607-1861 (New York and Evanston, 1965), p. 165. A journeyman with steady work might well have enjoyed a boost in real wages between 1836 and 1840.

²⁹Niles' Register, March 7, May 2, 16, 1840; Herald, April 7, 1840; National Intelligencer, April 8, 1840; Report of the Chief Engineer of the Chesapeake and Ohio Canal, ibid., April 6, 1840; Globe, August 17, citing the Evening Post; Walter Sanderlin, The Great National Project: A History of the Chesapeake and Ohio Canal (Baltimore, 1946), pp. 121-122, 132-135; Niles' Register, June 20, 1840.

squeeze and general hard times were the fault of the administration.

Perhaps worried that anti-administration attacks would convince segments of the working class that the administration was oblivious to the needs of labor, the President in March, 1840, issued his famous executive order which established the ten-hour day on federal works which had not already initiated it. Substantial insight into the times can be gained by surveying the relationship of the national government to workers.

Congressional policy toward workmen employed on federal projects was decentralization at its worst; executive agents could function at their own discretion. The organized campaign to wrest an authorized ten-hour day from the national government had been in effect for several years. National Trades' Union committees sent memorials to Congress asking that the government conform to a reform that had already been established in certain areas. They felt it important that the state should set a good example as an employer, but unfortunately, private employers were usually more just than the government.³⁰

Trade unionists got negative results from their representatives. In the House a Maryland Democrat introduced a plea from 3000 workers in Baltimore for ten-hour legislation. James Parker, also a Democrat, argued that Congress had no

³⁰White, Jacksonians, p. 406; Working Man's Advocate, September 19, October 10, 1835; Commons, ed., Documentary History, VI, 246-248, 233, 300.

jurisdiction, and another member of the Democracy moved to lay the petition on the table, claiming that a free man should "make his own contract," and the matter was disposed of. Ely Moore introduced a similar memorial from the New York City General Trades' Union, but one legislator was dubious about referring it to a committee because a radical report might result which would "encourage the agrarian and levelling spirit. . . ." On another occasion a witty representative wished to refer a petition to the "Nigger Committee." The unionists were aware that these reactions were bipartisan. When the ten-hour day was gained in the Philadelphia Navy Yard in 1836 by a well-organized strike and a direct appeal to Andrew Jackson, unionists decided to concentrate future pressure on the President. They fully believed that the reluctant Congress had the responsibility to regulate hours and also wages: "Government, in all its branches, is intended for the transactions of the people's business, and if the people find any just right has been withheld, common sense will teach them to ask it. . . ." ³¹ That was precisely the minority view of the positive state so well expressed by John Commerford, which he took into the Locofoco party, and ultimately, into perverse and paradoxical support of Calhoun.

Early in the Van Buren administration, 100 workers demonstrated for the ten-hour day on the President's front lawn,

³¹Register of Debates, 24th Cong., 1st Sess., pp. 2890-2892, 2696; Union, May 20, 1836; Commons, ed., Documentary History, VI, 300-304.

but he refused to speak to them. During the following hard winter, Buchanan presented a memorial from Philadelphia citizens which asked that 500 workers discharged at the city Navy yard be put back to work. Nullifier William Preston sneered at such an extraordinary request. The House Committee on the Public Buildings under the chairmanship of Whig Levi Lincoln reported a petition from laborers employed on federal works who complained of having to work longer hours than skilled workers. The Committee said that men should not complain about the terms under which they had contracted to work. They were lucky to have jobs during such hard times.³² Lincoln exemplified one typical Whig adherence to natural law; where labor was concerned, laissez faire must function.

Workmen in Washington engaged in the construction of a new Treasury building were laid off in 1838 because of inadequate appropriations. They petitioned for congressional relief on the grounds that many of them had come to Washington with the understanding that they would work for the government for three or four years. They sardonically noted "that it has been the constant practice of Government to grant furloughs to its officers of large salaries. . . ." In this case, the petitions got surprising results. Those men who could not find work in the city were to be reimbursed for their unemployment according to the merits of individual cases as

³²Nevins, ed., Adams Diary, p. 478; Moore, ed., Buchanan Works, III, 339-341; House report no. 886, 25th Cong., 2nd Sess., Van Buren Papers.

"justice and equity may require." Congress was slow as usual, but finally allotted the "relief" money.³³

This action was somewhat unusual. The relations of workmen with immediate supervisors were often filled with friction, however. Government agents at the Brooklyn Navy yard discharged employees who requested wage increases which had been granted to mechanics in the same trades by private employers, and barred the discharged men from future employment on federal works. Government agents paid workers in depreciated paper and sometimes fired them for refusing to accept it. Amos Kendall reported a supervisor who hired non-qualified "apprentices" and took a rake-off of wages. The government reportedly brought in Negro strikebreakers when work stopped on public projects. Rumors circulated about political dismissals. In 1839 Navy Secretary James Paulding wrote to the President about lay offs in the New York City area. The autumn elections were near, and if the political situation was questionable, Paulding said he could scrape up the funds to get more potential political friends on the federal payroll.³⁴ Perhaps this is the reason why wage levels apparently held up on federal works projects.

³³House Documents, 25th Cong., 2nd Sess., nos. 425, 435, 428; U. S. Statutes at Large, V, 365 (1839); William Noland to Jackson, April 22, 1839, Bassett, ed., Jackson Correspondence, VI, 10.

³⁴Union, May 20, 1836; Herald, August 3, 1837; Albany Evening Journal, May 23, 1837; Kendall to Van Buren, July 26, 1839, Van Buren Papers; Madisonian, May 30, 1840; Niles' Register, July 11, 1840; Paulding to Van Buren, October 5, 1839, Aderman, ed., Paulding Letters, pp. 265-267. Thurlow Weed was always alert to the shortcomings of administration labor policy, but it should be noted that he thought Greeley was peculiar

On March 31, 1840, Van Buren issued his ten-hour order. From the wording one could deduce that dissatisfaction between different classes of workers who worked different hours was a major factor in persuading the President to issue the order. Its significant feature was that wages remained intact. Of seven Navy yards listed by Paulding in a letter to the President, the ten-hour system had previously applied only to the New York City and Philadelphia yards. The shorter work day had been initiated there because of simple economics; the skilled workers in many trades had won the ten-hour day from private employers. The system had already won wide acceptance, but probably federal initiation of shorter hours in places like Boston was significant. Generally, however, it is clear that the government followed and did not lead. In opposition to the extravagant praise of Blair, who claimed that the administration acted against "the wealthy employer" who sought to "screw" long hours out of workers, conservatives pointed out the obvious limits of the reform. If sincere, the President would have listened to the many past petitions rather than "pursue at this late date the dictates of his own fears."³⁵

The best summarial attack on the Democrats for hypocrisy in their relationship to labor appeared in the Whig National

for not being antagonistic to trade unions. Weed, Autobiography, p. 468.

³⁵Richardson, ed., Messages and Papers, III, 602; Paulding to Van Buren, March 27, 1840, Van Buren Papers; Globe, May 26, 1840; Albany Evening Journal, October 10, 12, 1840; Madisonian, May 30, 1840.

Intelligencer. The article was entitled "A Letter from a Journeyman"; the authenticity of authorship is unimportant. The "journeyman" was dubious about the sincerity behind the ten-hour order and observed that the party which had claimed for years to be the special friend of the working class had really been the major impediment to labor progress in the crucial matter of reducing hours. The writer said that Whigs had led the fight to get the appropriation to relieve the Washington construction workers who had been laid off. Indeed, the administration had wasted funds which it could have channeled into public works expansion and thus have provided employment during hard times.³⁶ All things considered, the charges were justifiable. Still, the Whigs had never demonstrated any positive friendship for labor.

Politicians appealed strongly to the working class in specific terms in 1840, in contrast to the vague references to "workingmen" or "producing classes" which had been usual in previous national elections. The effort here is not to offer a complete history of the "log cabin" campaign or to investigate all of the issues but rather to concentrate on the importance of the economic issues which had stimulated mass interest in government policy.

Thurlow Weed viewed Van Buren as an "arch-juggler" attempting to control a diversified party. That was true and

³⁶National Intelligencer, August 24, 1840. Democrats, including Benton, supported the appropriation for the construction workers in the Senate. Cong. Globe, 25th Cong., 3rd Sess., p. 127.

should be kept in mind when evaluating the President's efforts. The national Democrats anxiously observed state and local elections for indications of the drift of public opinion. Their position seemed to improve in 1838 as prosperity returned to the land of enterprising individualists. But the Globe expressed astonishment at "the uniform and bitter hostility of the masses of the merchants. . . ." Some thought that the hatred stemmed from those who disapproved of a virtuous government that would not grant "exclusive favors."³⁷ The truth, however, was that the language utilized by people like Blair had done much to alienate many members of the commercial community.

The final economic downturn came in 1839, and with it came bad results for the Democrats in the New York state elections. Business began to decline that winter, and most people agreed with Buchanan that suffering was acute, "enough to make the heart bleed." Currency contraction began, and a report from New York noted that the banks were full of specie, but now there was little wish to utilize it because business confidence had eroded.³⁸

³⁷Albany Evening Journal, December 7, 1838; Democratic Review, III (December, 1838), 294-295; J. Hammond, History of Political Parties, II, 485; Globe, July 1, 2, 3, 1839; Boston Morning Post, August 13, 1839.

³⁸J. Hammond, History of Political Parties, II, 516-517; Madisonian, November 6, 1839; Albany Evening Journal, February 17, 1840; Moore, ed., Buchanan Works, IV, 311; Niles' Register, June 29, October 26, 1839, May 16, 1840. See Dewey, Financial History, p. 225, for a chart which indicates money trends over a period of several years. A severe contraction of circulation and loans clearly was in progress.

Van Buren received advice arguing that the Sub-Treasury had to be passed to save the party. A friend observed that "the people do not fear the sacrifice they may be called upon to make. . . ." Politicians always watched New York City for trends, and the administration scored a victory in the 1840 city elections. The party which professed to represent the "landed interest" curiously accepted an urban political result as encouragement. Taney still claimed that the administration needed to work harder "to restore the circulation of gold and silver. . . ." At any rate, Democrats chose to continue their current directions. They professed faith in the "gift of reason" possessed by the people which would grant them insight into "the intuition of truth in its elementary principles. . . ." ³⁹ Many such transcendental Democrats would soon be disillusioned.

By 1840 the original differences between Whigs and Democratic Conservatives had blurred. The Whig national convention carefully refrained from outlining a specific legislative program. Whig candidate General William Henry Harrison declared that "I am in favor of paper money. . . I am not a Bank man." The ambiguity of that statement was perfectly attuned to the conflicts between ideals and needs existing among much of the population. The Whigs did not dwell on the need for a national bank during the campaign, and that helped insure the support of

³⁹William Havemeyer to Van Buren, April 8, 1840, Van Buren Papers; Van Buren to Jackson, April, 1840, Taney to Jackson, September 4, 1840, Bassett, ed., Jackson Correspondence, VI, 55, 72; Democratic Review, VIII (October 1840), 102.

anti-Van Buren Democrats. Rives supported Harrison because he would obviously be a weak executive, and because the President persisted in his apparent inclination toward a specie currency.⁴⁰

The specific measure under Whig attack was of course the Sub-Treasury. The "Treasury Bank" theme was utilized to prove that the administration aimed at a powerful, consolidated government. Whigs also accused Van Buren of wishing to create a large standing army and of being wasteful with public expenditures. Perhaps more persuasive than these peripheral issues were the charges of foppishness made against Van Buren; word-of-mouth stories circulated about the President's "effeminate tastes." The Democrats ran a rather inept campaign, choosing to attack Harrison instead of vigorously defending Van Buren. The President confined his efforts to writing letters in which he clearly stated his views. Although many students argue that the ballyhoo nature of the campaign was the decisive factor leading to the final result, there were significant issues which appeared to be at stake.⁴¹

⁴⁰J. Hammond, History of Political Parties, II, 518; Robert G. Gunderson, The Log-Cabin Campaign (Lexington, Kentucky, 1957), p. 170, quoting Harrison; Niles' Register, March 7, 1840.

⁴¹J. Hammond, History of Political Parties, II, 528-529; National Intelligencer, February 17, 1840; Jeffersonian, October 20, 1838; pamphlet attacking the "standing army," May 26, 1840, Van Buren Papers; Madisonian, January 4, 1840; Eugene H. Roseboom, A History of Presidential Elections, 2nd edition (New York, 1964), pp. 114, 122; Gunderson, Log-Cabin Campaign, pp. 126, 228, 241. The Canadian insurrection was also an issue in northern border areas. Van Buren handled the problem in an admirable but politically harmful way. Turner, United States, 1830-1850, pp. 473-475.

Van Buren continued to advise prudence in the matter of improvements construction. His position was essentially the same as that advocated by his friend Azariah Flagg in New York. The President called for "republican simplicity" and denounced the "craving desire for luxurious enjoyment and sudden wealth. . . ." Considering his own life-style, that was perhaps indicative of inner conflicts among many citizens. C. C. Cambreleng continued to praise the virtues of negative government; the "fallacious assumption that government was instituted to take charge of the private concerns of men. . ." appalled him. Thurlow Weed thought little of the Democratic depression outlook which advised that hard work and economy would bring eventual relief. The Whigs never forgot Van Buren's comment in the 1837 special message that the people tended to look to the government too much for aid. Weed recommended possible relief measures: a national internal improvements project; "a just division of the proceeds of the public lands. . ." which would offer the same sort of economic stimulation; anything that would revitalize manufacturing (primarily, a raised tariff) would be welcome. In his more demagogic moments, Weed charged that the Sub-Treasury plan caused capitalists to retain their funds because they were waiting to reap profits from the final contraction.⁴²

⁴²Richardson, ed., Messages and Papers, III, 552-554; Cambreleng to Van Buren, September 3, 1839, Van Buren Papers; Albany Evening Journal, May 25, April 10, 1840.

Not only did leading Whig spokesmen emphasize positive government, but the implications of their brand of "democratic capitalism" were extended by Seward in a speech made to a huge gathering of Sunday school children on Staten Island. He called for an equalization of society as the next goal to be gained after civil equality and argued for "the largest liberty to the greatest number. . . ." ⁴³

Clearly the Whig campaign in northern states such as New York concentrated on wage earners and farmers. Whigs established cheap newspapers to reach the lower-income groups, the most famous of which was Greeley's Log Cabin. Even Daniel Webster expressed concern for the welfare of depression-ridden working men. Early in the campaign the Democrats saw the aims of the enemy: "it is sufficiently evident that they mean to make the wages of labor the principal lever for upsetting the Democratic Administration," perceived the Globe, which thought such a thing ridiculous because "everyone" knew that merchants, manufacturers, and masters were Whigs. The Argus agreed that the "wages of labor" was the major issue. ⁴⁴

⁴³Albany Argus, July 13, 1839, citing the Evening Post; ibid., July 17, 1839.

⁴⁴Gunderson, Log-Cabin Campaign, p. 156; Nichols, Forty Years of American Life, p. 298; A. B. Norton, The Great Revolution of 1840: Reminiscences of the Log Cabin and Hard Cider Campaign (Dallas and Mount Vernon, Ohio, 1888), pp. 225-232; Globe, April 3, 1840; Albany Argus, August 27, 1840. The Norton volume, while an absurdly partisan political document, offers some good examples of the kind of material found in anti-administration newspapers in 1840.

James Buchanan delivered a Senate speech which defended the Sub-Treasury on the old middle-ground of the need for a stable specie-backed currency. The states would not initiate the needed reforms such as prohibition of notes under twenty dollars and required specie reserves of the banks.⁴⁵ Inflation was harmful to domestic manufactures and reduced their competitive advantage, which was essentially what Clinton Roosevelt had argued. Buchanan further claimed that contraction was necessary and that it would bring steady employment, uniform prices, increased real wages, and a decline in labor strife. John Davis of Massachusetts offered a refutation of Buchanan's argument on real wages. The Pennsylvania senator tried to retreat after the Whigs circulated Davis' speech to manufacturing towns. Buchanan had created an excellent cause for Whiggery; the Democrats, it was now claimed, wanted to reduce wages to fifteen cents per day. Buchanan then replied that the Sub-Treasury would have little effect on the volume of currency. For months the "no reduction of wages" slogan

⁴⁵On this point perhaps a word is necessary. Buchanan and Benton were prominent national Democrats who viewed paper money with different degrees of animosity. Both, however, consistently advocated ways in which Congress might act to provide curbs on bank-note overissuance which the states were reluctant to establish. Buchanan continued to promote a constitutional amendment enabling Congress to ban small notes and also understood the importance of a required specie reserve. Benton advocated that a one-third reserve be required of District of Columbia banks to support both notes and deposits. He never forgot how Congress had rejected its regulatory responsibility in 1836. In 1840 he advised the taxing of bank notes. Cong. Globe, 26th Cong., 1st Sess., appendix, p. 218; Benton, Thirty Years View, II, 128-130, 179.

was endlessly repeated along with the cry to "protect American industry."⁴⁶

Buchanan's problems set a pattern for his Democratic brethren. Richard Niles, brother of Senator John Niles, said that the prices of "necessaries of life" would decline more than wages. Obviously that was not good news for the farmer. The safest thing was to argue that the Sub-Treasury would have little effect on business, currency volume, property values, or wages.⁴⁷

Contraction, however, was already in progress. It could easily be linked to administration monetary policies, and Van Buren supporters considered this to be the "main reliance" of the Whigs. That autumn James Gordon Bennett noted that Harrison would probably be elected because wheat, cotton, and wool prices had fallen off; songs and hard cider swayed fools, "but prices touch the pocket." Months before, the Intelligencer had predicted that the farmers "will soon get enough of it."

⁴⁶Cong. Globe, 26th Cong., 1st Sess., appendix, pp. 131-132, 135-137, 158, 244-245, 296; Globe, April 2, 1840; Buchanan to Mr. Jenks, August 3, 1840, Moore, ed., Buchanan Works, IV, 286-287; Norton, Great Revolution, pp. 102, 105, 144-145, 260; Albany Evening Journal, May 7, August 19, 20, 27, 1840; Madisonian, June 2, 1840. Davis scoffed that the administration's attempts to undermine credit resulted from the fact that in 1835-36 its policy had been to stimulate it excessively. Cong. Globe, 26th Cong., 1st Sess., appendix, p. 158.

⁴⁷National Intelligencer, April 7, 1840; Boston Quarterly Review, III (April, 1840), 247-248; Democratic Review, VIII (August, 1840), 172. See Cong. Globe, 26th Cong., 1st Sess., appendix, pp. 528, 531, 583, 592, for examples of Democratic arguments that either emphasize no effect by the Sub-Treasury or genuine wage benefits.

A "farmer" wrote that he was "willing to take Harrison upon trial" if that would prevent land values and crop prices from being reduced in half. Some argued that farm prices suffered primarily because of the abundant crops in 1839, but a general fear persisted that a continued contraction attributable to administration policy would hurt the "honest farmer." This very concept of contraction was linked to a total war on credit. The worker would not be able to purchase a home. All debtors would suffer from a contraction, which was true. Norton describes an imaginary conversation, which asked "when they reduced a man's means of paying his debt, why didn't they reduce the debt too?" Clinton Roosevelt had suggested that iconoclastic approach.⁴⁸

Democratic journals observed the strangeness of Whigs professing so much friendliness to workers when all knew that most workers were Democrats. The Van Buren administration treated wage earners kindly with such boons as the ten-hour day. Silas Wright utilized the increase in real wages argument to defend the administration. Azariah Flagg, writing as "Franklin" in the Argus, declared that the price of labor was strictly regulated by supply and demand. The President held that "when the natural order of society is disturbed. . .

⁴⁸Democratic Review, VII (June, 1840), 487; Herald, September 22, 1840; National Intelligencer, March 16, June 16, 1840; Niles' Register, October 5, 1839; Globe, September 4, 1840; Albany Evening Journal, September 7, 1840; Madisonian, February 25, 27, 29, 1840; Norton, Great Revolution, p. 349.

the wages of labor become inadequate."⁴⁹ In essence, the Democratic defense was inadequate. Natural law arguments would not have much immediate persuasiveness for men under severe economic pressure.

The President seemed to waver and retrogress somewhat as it became apparent that the Whigs were running strong. He offered moderate statements on the tariff and improvements. Democrats in general became more interested in proving their moderation because Orestes Brownson had published his famous essay, "The Laboring Classes," in July. The Whigs gleefully reprinted and circulated this statement which proved the agrarian inclinations of the Democrats. Brownson had found new faith in Van Buren by 1838. At that time he spoke of the "comparatively good condition of the working men in the country. . . ." In "The Laboring Classes," Brownson observed that an Abbott Lawrence was more dangerous to the rights of labor than a Tory such as the Duke of Wellington. (This, by the way, is an insight that probably explains why that little band of ex-Locofocos could support Calhoun in the 1840s.) Brownson, persuaded by depression realities, now felt that the condition of the lower class was extremely serious and that the great work of the future was "to raise up the laborer." He said that government could help by limiting itself, but he also stated that government must repeal all laws which were oppressive

⁴⁹Albany Argus, April 23, 1840; Globe, May 12, September 16, 24, October 5, 20, 1840; Albany Argus, September 3, 29, 1840; Van Buren to Isaac Lippincott, Niles' Register, September 26, 1840.

to workers and then enact legislation which would "enable them to maintain their equality."⁵⁰ Clearly a certain amount of ambivalence existed concerning the role of government in a democracy. It was the same ambivalence that plagued many radicals including the Locofoco movement. Established liberal attitudes toward government clashed with the need to utilize the state as a reform tool.

The real fuel for Whig propaganda came from Brownson's attack on inheritance of property and his prediction of a future class war. Whig organs had consistently sought to associate Van Buren with the Locofoco "destructives" and now had conclusive proof that the administration was out to destroy free labor, religion, and property laws while trying to stir up working-class anarchy. Whigs made ominous forecasts of expected revolutionary measures if Van Buren were re-elected. The apparent tendencies of the Democrats promised future chaos. Administration papers sought to explain that Brownson had not reflected the views of the Democracy. Brownson, unawed by the furor, continued his efforts, declaring that "universal suffrage is little better than a mockery if voters are not socially equal." Laissez faire would bring justice in the social world provided that people had equal starts. Brownson noted that the Whigs were utilizing his work "to the prejudice

⁵⁰Van Buren to John Cary and others, *ibid.*, August 22, 1840; Schlesinger, *Brownson*, pp. 101, 72; *Boston Quarterly Review*, I (April, 1838), 203, III (July, 1840), 362-369, 373, 391.

of the present administration."⁵¹

The carnival atmosphere certainly existed in 1840. The Whigs made a grand effort to manipulate public opinion with emotional appeals. The Old Hero saw the hard-cider campaign as an insult to the people and thought that anyone swayed by it was fit to be a slave. Paulding thought that if Harrison were elected "it would overturn the theory of our government by proving the People destitute of Common Sense."⁵²

The Whigs won "a veritable landslide" victory, capturing 53 per cent of the popular vote and nineteen of twenty-six states. The most striking characteristic of the election was the great increase in the votes given both parties over the 1836 totals. The total vote increased 55 per cent, and Van Buren received 400,000 more votes than in 1836 and 350,000 more than any Democrat had ever polled before. Some Democrats claimed that the large vote indicated fraud, but this ignored the great increase in their own total. Historian John Ward has written that "the single image of the pioneer's cabin" won

⁵¹Ibid., pp. 393-395; Albany Evening Journal, June 17, July 25, 29, August 8, September 11, 1840; Madisonian, August 4, September 4, 1840; Albany Argus, September 12, 1840; National Intelligencer, August 11, 1840; Boston Quarterly Review, III (October, 1840), 474-476, 508. Some senators had spoken in favor of an elected federal judiciary and this was used as an example of the insidious attack on property. National Intelligencer, August 22, 1840. Van Buren later wrote that he favored short tenures for federal judges. Van Buren, Autobiography, p. 184.

⁵²Nathan Sargent, Public Men and Events (Philadelphia, 1875), II, 107-111; Jackson to Blair, September 26, 1840, Bassett, ed., Jackson Correspondence, VI, 78; Paulding to Buchanan, August 9, 1839, Aderman, ed., Paulding Letters, p. 263.

the election for Harrison.⁵³ Since cultural symbols probably reinforce reality more than they create it, one might inquire what the 53 per cent chose in 1840: pioneer egalitarianism or Whig economic policies? Again, Louis Hartz says that in 1840 "the American Whig gives up his Hamiltonian elitism and discovers the Horatio Alger ethics of a liberal society. . . ." That surely is true, but also in 1840, many citizens discovered the virtues of certain aspects of Whig theory. To argue that the Whigs out-Jacksoned the Democrats is to tell only part of the story.⁵⁴ Perhaps the large increase in the Democratic vote tells something about the relative significance of the carnival trappings to the election's outcome.

The faith of many Democrats was shaken by their great defeat, and some began to doubt the capacity of "the people" to make valid decisions. They were disheartened at the ingratitude of the masses. "Can this people govern themselves?" asked Thomas Hamer of Ohio who had opposed the ten-hour day for federal workers back in 1836. Cambreleng concluded that "the times were at fault"; the pesky depression had undermined

⁵³Burnham, Presidential Ballots, pp. 22, 26-27, 632, 638; Gunderson, Log-Cabin Campaign, pp. 253-256; Benton, Thirty Years View, II, 207; Globe, October 24, 26, 27, 31, December 3, 1840; Jackson to Van Buren, November 24, 1840, Bassett, ed., Jackson Correspondence, VI, 83; John Ward, Andrew Jackson: Symbol for an Age (New York, 1962), p. 93. See Turner, United States, 1830-1850, p. 435, for Turner's map illustrating the majority areas for each party. Turner says that the Whigs appealed "to the older pioneer element."

⁵⁴Louis Hartz, The Liberal Tradition in America: An Interpretation of American Thought Since the Revolution (New York, 1955), p. 16; M. Meyers, Jacksonian Persuasion, p. 113.

the Democrats, and change was all that had interested the Whig voters. The Democratic Review stated that the only real issue had been wages and prices. That was essentially correct. The Whigs had successfully connected hard times and low prices to the policies of the Van Buren administration. The Whigs had in essence promised an expansion of credit and currency while the Democrats had offered "no prescriptions" for the economic troubles. Ralph Waldo Emerson summarized the issue in two words; Harrison was the "Indignation President." John Quincy Adams claimed that the actual popularity of the new President was completely artificial.⁵⁵

Brownson offered an interesting post-mortem to the upheaval. He claimed that only one portion of the Democracy were true Locofocos. Locofocoism meant social democracy and was the logical extension of Jeffersonianism. The Democratic party had been "too far in the abstract." The real purpose of government was to "raise up the laboring classes, and make every man really free and independent." If paper currency were necessary, it should be placed under the control of the federal government. Indeed, he said, the voters had decided,

⁵⁵Garret Wall to Van Buren, November 5, 1840, Anthony Bleeker to Van Buren, November 8, 1840, Thomas Hamer to Van Buren, November 18, 1840, John Dix to Van Buren, November 18, 1840, Van Buren Papers; Schlesinger, Brownson, p. 111; Cambreleng to Van Buren, December 15, 1840, Van Buren Papers; Democratic Review, VIII (November-December, 1840), 387, 390, 392-394, 396; Niles' Register, November 28, 1840, citing the Evening Post; Emerson, Journals, V, 594; Nevins, ed., Adams Diary, p. 514.

in a sense, for federal control.⁵⁶ But Brownson did not understand that the industrial order was creating a new rationale for Whiggery and the proclaimed virtues of expansive business enterprise. Horace Greeley best expressed that rationale which infiltrated much of the "producing classes." For example, Greeley argued that the wage earner was the chief beneficiary of protection for American industry. Anything that promoted "the general prosperity of the country" was beneficial to all workers. That, of course, was not understandable to those who took only an immediate and narrow view of economic matters.⁵⁷ This was as highly abstract a faith as the benevolent natural law view of society. One thing was clear. When "the times were at fault," natural law, laissez faire, and individualism were not ideas upon which the majority would stake their immediate welfare. The Whigs had not only won an election in 1840, they had proven a point. The traumas of slavery, expansion, and Civil War would soon obscure the point for some time.

Benefits through an increase in real wages had originally provided the major appeal of the Sub-Treasury arguments, just as had the hard-money arguments of the Locofocos. But the economic state of the country in 1840 reduced primary interest in real wages. The most important consideration for many

⁵⁶Boston Quarterly Review, IV (January, 1841), 117, 75, 80-81, 98, 100.

⁵⁷New York Daily Tribune, October 19, December 21, 1844.

workers and farmers became the short-range goals of a job, steadier work, or higher produce prices. Political commitments prevented the administration from taking realistic positions regarding the economic dislocations.

Personal allegiance to Jackson and the expedient alliance with Calhoun served to undermine Van Buren. The hard-money program had been predicated upon a general assumption that any discarded paper money would be automatically replaced by the circulation of more specie.⁵⁸ The realities of contraction—declining prices, property values, and wages—had not been contemplated as part of the bargain by a majority of those who voiced opposition to the hazards of bank paper. Many Democrats simply desired a utopian entrepreneurial order in which easy credit and abundant currency would exist without business cycles, depreciation, and high interest rates. The true believers, driven by a moral vision which opposed the implications of progress, were few. Surely the upward-mobility aspirations of "self-made men" and "expectant capitalists" provided a strong social force in a land which had begun to accept progress as a philosophy.⁵⁹ But not all men so aspired.

⁵⁸As Thurlow Weed said of the New York experience of 1837: "The bank notes disappeared without making either gold or silver as plentiful as had been promised." Weed, Autobiography, p. 444.

⁵⁹Bruchey, American Economic Growth, pp. 195-196; Richard Hofstadter, The American Political Tradition and the Men Who Made It (New York, 1948), p. 57.

Many, primarily interested in short-run security during hard times, cooperated with those concerned about the benefits of economic growth.

Nevertheless, the image of Jefferson and Jackson held 47 per cent of the voting population within the ranks of the Democratic party in 1840. The broad middle-class social ends sanctioned by the two major parties were similar and differed primarily over the proper use of the state to reach final goals. One finds no authentic radicalism within the leadership of either major political coalition. The Locofocos contained elements of true indigenous radicalism but even in inflationary times received little support. Contraction was at the heart of their monetary proposals, and its appeal declined under the pressures of depression.

The Van Buren administration attempted to consolidate the Democratic party by appealing to antimonopoly sentiment while clearly not being anti-business in practice. Although symbolically renouncing aid to the business classes (however, that was not actually the case), the administration had also surrendered the possibility of federal regulatory controls over business. The Sub-Treasury, bankruptcy control of corporations, and a liberal land policy were proposals that would appeal to radicals. On the whole, however, the administration clearly had no interest in the kind of comprehensive assault on the economic and political status quo desired by the more angry Locofocos. Still, there is no evidence of any Locofoco who preferred the Whig vision of progress.

Certainly there was a strong "entrepreneurial" element in the Democratic party, although the ideologies of these men concerned with economic progress and social mobility varied much more than similar types within the Whig party. Divergent middle-class opinion characterized the upper levels of the Democratic party. The adroit compromising efforts made by Van Buren to form a unified party out of the Democracy can be illustrated by the reactions of Roger Taney and Theodore Sedgwick, Jr., to the administration policies of 1837. Taney, of course, is credited with doing a great deal as Chief Justice to "liberate" the corporation and democratize American capitalism.⁶⁰ However, he opposed the Sub-Treasury, Treasury notes, and the relative amount of leniency shown to government creditors. On the other hand, Sedgwick, whose extreme laissez-faire ideas tended in the same historical direction of "democratic capitalism" as did the efforts of Taney, criticized the administration for being too anti-business. The reason for this difference of opinion lay in the pragmatic nature of Van Buren's policies. "The less-than-hard money Democrats"⁶¹ led by the President developed an approach designed to cope with the exigencies of financial panic and to satisfy as much of the atomized elements of the party as possible. Compromise often dissatisfies as much as it ameliorates.

⁶⁰Bruchey, American Economic Growth, pp. 136-139; Hofstadter, American Political Tradition, pp. 65-67.

⁶¹Timberlake, "Independent Treasury," p. 97.

Van Buren's policies were an attempt to fuse pragmatism, the inherited Jeffersonian precepts of the Democratic party, the President's loyalty to Jackson, and the need for southern support into a moderate but functional program. It was a middle-class course which simultaneously tried to appear neutral to business and friendly to lower-income groups. But the implicit theme of the resulting political montage of ideas and expediency was the reluctance of the national state actively to promote human welfare.⁶²

The Whigs capitalized primarily on Democratic negativism and the logical implications of their opponents' monetary policy. Perhaps the depression would have defeated the Van Buren Democrats in any event. In reality, they helped defeat themselves by officially rejecting any responsibility for coping with the intensified problems of a rapidly changing social and economic order. While dynamic men were democratizing capitalism, others were implicitly recognizing their dependence and the limits of individualism. The Locofoco dream of a just society, weakened by antiquated attitudes toward money, was no impediment to the philosophy of progress which was paradoxically solidified by the trauma of modern depression.

⁶²As one liberal Democrat said: "If they kneel for the rider to mount, who can pity them when they feel the spurs?" Hamilton, ed., Rantoul Writings, p. 583.

BIBLIOGRAPHY

Primary Sources

Public Documents

- Briscoe vs. the Bank of the Commonwealth of Kentucky, 36 U. S. (1837).
- Congressional Globe, 23rd-27th Congress, 1835-1842.
- House Documents, 24th Congress, 2nd Session, Nos. 158, 170; 25th Congress, 1st Session, No. 34; 25th Congress, 2nd Session, Nos. 425, 435, 438, 439; 25th Congress, 3rd Session, No. 227; 26th Congress, 1st Session, No. 250.
- House Reports, 24th Congress, 2nd Session, Nos. 86, 121, 306; 25th Congress, 2nd Session, Nos. 202, 886.
- Huntington, A. T. and Robert J. Mawhinney, editors, Laws of the United States Concerning Money, Banking, and Loans, 1778-1909, Washington, Government Printing Office, 1910.
- New York Assembly Documents, No. 302 (1837).
- New York Senate Documents, No. 4, Vol. I (1835); No. 10, Vol. I, No. 64, Vol. II (1837); Nos. 38, 68, Vol. II (1838).
- Register of Debates, 23rd-25th Congress, 1835-1837.
- Richardson, James D., editor, A Compilation of the Messages and Papers of the Presidents, 1789-1897, 10 vols., Washington, Government Printing Office, 1896-1899.
- Senate Documents, 24th Congress, 2nd Session, Nos. 30, 102, 163, 203; 25th Congress, 1st Session, Nos. 9, 36; 25th Congress, 2nd Session, No. 371; 26th Congress, 1st Session, Nos. 506, 548.
- U. S. Bureau of the Census, Historical Statistics of the United States, Colonial Times to 1957, Washington, Government Printing Office, 1960.
- U. S. Statutes at Large, Vol. V, 1836-1841.

Newspapers

- Albany Argus, 1834-1840 (on microfilm in North Texas State University Library).
- Albany Evening Journal, 1830-1840 (on microfilm in North Texas State University Library).
- Albany, Jeffersonian, 1838-1839 (on microfilm in North Texas State University Library).
- Baltimore and Washington, Niles' Register, 1835-1840 (on microfilm in North Texas State University Library).
- Boston Morning Post, 1836-1839 (on microfilm in Ohio State University Library).
- New York, Daily Tribune, 1844 (on microfilm in North Texas State University Library).
- New York, Democrat, 1836 (on microfilm in University of Chicago Library).
- New York, Evening Post, 1835-1838 (on microfilm in Dartmouth College Library).
- New York, Herald, 1837, 1840 (on microfilm in University of Kansas Library).
- New York, Man, 1834 (on microfilm in North Texas State University Library).
- New-Yorker, 1836-1838 (Southern Methodist University Library).
- New York, Union, 1836 (on microfilm in University of Chicago Library).
- New York, Working Man's Advocate, 1830-1836 (on microfilm in North Texas State University Library).
- Washington, Globe, 1834-1840 (on microfilm in North Texas State University Library).
- Washington, Madisonian, 1837-1840 (on microfilm in Wisconsin Historical Society Library).
- Washington, National Intelligencer, 1839-1840 (on microfilm in North Texas State University Library).

Periodicals

Boston Quarterly Review, 1838-1841 (on microfilm in North Texas State University Library).

Boston, North American Review, 1839-1841 (on microfilm in North Texas State University Library).

New York, Hunt's Merchants Magazine, 1839-1841 (on microfilm in North Texas State University Library).

New York Review, 1837-1838.

Washington, United States Magazine and Democratic Review, 1837-1841.

Unpublished Materials

Bancroft, George, George Bancroft Papers, Cornell University, Ithaca, New York (on microfilm in North Texas State University Library).

Jackson, Andrew, Andrew Jackson Papers, Library of Congress, Washington, D. C. (on microfilm in North Texas State University Library).

Van Buren, Martin, Martin Van Buren Papers, Library of Congress, Washington, D. C. (on microfilm in North Texas State University Library).

Memoirs, Diaries, Correspondence, Autobiographies, Contemporary Works, and Collections of Contemporary Writings

Adams, Charles F., editor, Memoirs of John Quincy Adams, Comprising Portions of His Diary from 1795 to 1848, 12 vols., Philadelphia, J. B. Lippincott and Company, 1874-1877.

Adams, Henry, editor, Writings of Gallatin, 3 vols., Philadelphia, J. B. Lippincott and Company, 1879.

Aderman, Ralph, editor, The Letters of James Kirke Paulding, Madison, University of Wisconsin Press, 1962.

Bassett, John S., editor, Correspondence of Andrew Jackson, 7 vols., Washington, Carnegie Institution, 1926-1935.

Beach, Moses Y., The Wealth and Biography of the Wealthy Citizens of the City of New York, 12th edition, New York, Sun office, 1855.

- Benton, Thomas H., Thirty Years View: or, A History of the Working of the American Government for Thirty Years, from 1820 to 1850, 2 vols., New York, D. Appleton and Company, 1854-1856.
- Blau, Joseph L., editor, Social Theories of Jacksonian Democracy, New York, Hafner Company, 1947.
- Boucher, Chauncey S. and Robert P. Brooks, editors, Correspondence Addressed to John C. Calhoun, 1837-1849, American Historical Association Annual Report, 1929, Washington, Government Printing Office, 1930.
- Byrdsall, Fitzwilliam, The History of the Loco-Foco or Equal Rights Party, New York, Clement and Packard, 1842.
- Colton, Calvin, Public Economy for the United States, New York, Augustus M. Kelley, 1969 (1848).
- Commons, John R. and associates, A Documentary History of American Industrial Society, 10 vols., New York, Russell and Russell, 1958 (1910).
- Cralle, Richard K., editor, The Works of John C. Calhoun, 6 vols., New York, D. Appleton and Company, 1853-1856.
- Dix, Morgan, editor, Memoirs of John Adams Dix, 2 vols., New York, Harper and Brothers, 1883.
- Emerson, Edward W. and Waldo Emerson Forbes, editors, Journals of Ralph Waldo Emerson, 10 vols., Boston and New York, Houghton Mifflin Company, 1909-1914.
- Fitzpatrick, John C., editor, The Autobiography of Martin Van Buren, Vol. II of American Historical Association Annual Report, 1918 (2 vols.), Washington, Government Printing Office, 1920.
- Ford, Worthington, editor, "Van Buren-Bancroft Correspondence, 1830-1845," Proceedings of the Massachusetts Historical Society, XLII (June, 1909), 381-442.
- Godwin, Parke, editor, Prose Writings of William Cullen Bryant, 2 vols., New York, Russell and Russell, 1964 (1884).
- Gouge, William M., A Short History of Paper Money and Banking in the United States, 2 parts, New York, Augustus M. Kelley, 1968 (1833).
- Greeley, Horace, Recollections of a Busy Life, New York, Tribune Association, 1873.

- Hamilton, Luther, editor, Memoirs, Speeches and Writings of Robert Rantoul, Jr., Boston, John Jewett and Company, 1854.
- Hildreth, Richard, Banks, Banking and Paper Currencies, New York, Greenwood Press, 1968 (1840).
- Jameson, J. Franklin, editor, The Correspondence of John C. Calhoun, Vol. II of American Historical Association Annual Report, 1899 (2 vols.), Washington, Government Printing Office, 1900.
- McGrane, Reginald C., editor, The Correspondence of Nicholas Biddle, Dealing with National Affairs, 1807-1844, Boston and New York, Houghton Mifflin Company, 1919.
- Mackenzie, William L., The Lives and Opinions of Benjamin Franklin Butler and Jesse Hoyt, Boston, Cooke and Company, 1845.
- _____, The Life and Times of Martin Van Buren, Boston, Cooke and Company, 1846.
- Moore, John B., editor, The Works of James Buchanan, Comprising his Speeches, State Papers, and Private Correspondence, 12 vols., New York, Antiquarian Press Ltd., 1960 (1908-1911).
- Nevins, Allan, editor, The Diary of John Quincy Adams, 1794-1845, New York, Longmans, Green and Company, 1929.
- _____, editor, The Diary of Philip Hone, 2 vols., New York, Dodd, Mead and Company, 1927.
- _____ and Milton H. Thomas, editors, The Diary of George Templeton Strong, 2 vols., New York, Macmillan Company, 1952.
- Nichols, Thomas L., Forty Years of American Life, 1821-1861, New York, Stackpole Sons, 1937 (1864).
- North, Douglass C. and Robert P. Thomas, editors, The Growth of the American Economy to 1860, Columbia, South Carolina, University of South Carolina Press, 1968.
- Poore, Ben Perley, Perley's Reminiscences of Sixty Years in the National Metropolis, 2 vols., Philadelphia, Hubbard Bros., 1886.
- Raguet, Condy, A Treatise on Currency and Banking, 2nd edition, New York, Augustus M. Kelley, 1967 (1840).

- Sargent, Nathan, Public Men and Events, 2 vols., Philadelphia, J. B. Lippincott and Company, 1875.
- Sedgwick, Theodore, Jr., editor, A Collection of the Political Writings of William Leggett, 2 vols., New York, Taylor and Dodd, 1840.
- Seward, Frederick W., editor, Autobiography and Life and Letters of William H. Seward, New York, Derby and Miller, 1891.
- Shanks, Henry T., editor, The Papers of Willie Person Mangum, 5 vols., Raleigh, North Carolina, State Department of Archives and History, 1950- .
- Stickney, William, editor, Autobiography of Amos Kendall, New York, Peter Smith, 1949 (1872).
- Van Buren, Martin, Inquiry into the Origin and Course of Political Parties in the United States, New York, Hurd and Houghton, 1867.
- Weed, Harriet A., editor, Autobiography of Thurlow Weed, Boston, Houghton, Mifflin and Company, 1884.
- Woodbury, Charles, editor, Writings of Levi Woodbury, 3 vols., Boston, Little, Brown and Company, 1852.

Secondary Sources

Monographs and General Works

- Albion, Robert G., The Rise of New York Port, 1815-1860, New York, Charles Scribner's Sons, 1939.
- Benson, Lee, The Concept of Jacksonian Democracy: New York as a Test Case, Princeton, Princeton University Press, 1961.
- Binkley, Wilfred E., American Political Parties: Their Natural History, 3rd edition, New York, Alfred A. Knopf, 1958.
- Bruchey, Stuart, The Roots of American Economic Growth, 1607-1861, New York and Evanston, Harper and Row, 1965.
- Burnham, W. Dean, Presidential Ballots, 1836-1892, Baltimore, Johns Hopkins Press, 1955.
- Carothers, Neil, Fractional Money: A History of the Small Coins and Fractional Paper Currency of the United States, New York, John Wiley and Sons, Inc., 1930.

- Chaddock, Robert E., The Safety Fund Banking System in New York, 1829-1866, Washington, Government Printing Office, 1910.
- Cole, Arthur H., Wholesale Commodity Prices in the United States, 1700-1861, Cambridge, Harvard University Press, 1938.
- Commons, John R. and associates, History of Labour in the United States, 4 vols., New York, Macmillan Company, 1918-1935.
- Darling, Arthur B., Political Changes in Massachusetts, 1824-1848: A Study of Liberal Movements in Politics, New Haven, Yale University Press, 1925.
- Destler, Chester, American Radicalism, 1865-1901, New York, Octagon Books, Inc., 1965 (1946).
- Dewey, Davis R., Financial History of the United States, 12th edition, New York, Augustus M. Kelley, 1968 (1934).
- _____, State Banking Before the Civil War, Washington, Government Printing Office, 1910.
- Donovan, Herbert D. A., The Barnburners: A Study of the Internal Movements in the Political History of New York State and of the Resulting Changes in Political Affiliation, 1830-1852, New York, New York University Press, 1925.
- Dorfman, Joseph, The Economic Mind in American Civilization, 5 vols., New York, Viking Press, 1946- .
- Ekirch, Arthur A., Jr., The Idea of Progress in America, 1815-1860, New York, Columbia University Press, 1944.
- Ellis, David M., Landlords and Farmers in the Hudson-Mohawk Region, 1790-1850, Ithaca, New York, Cornell University Press, 1946.
- Ernst, Robert, Immigrant Life in New York City, 1825-1863, Columbia University, New York, King's Crown Press, 1949.
- Evans, George H., Jr., Business Incorporations in the United States, 1800-1943, Baltimore, Waverly Press, 1948.
- Foner, Philip S., The History of the Labor Movement in the United States, 4 vols., New York, International Publishers, 1947- .
- Fox, Dixon Ryan, The Decline of Aristocracy in the Politics of New York, New York, Columbia University Press, 1919.

- Gates, Paul W., The Farmer's Age: Agriculture, 1815-1860, New York, Holt, Rinehart and Winston, 1960.
- Goodrich, Carter, Government Promotion of American Canals and Railroads, 1800-1890, New York, Columbia University Press, 1960.
- Gunderson, Robert G., The Log-Cabin Campaign, Lexington, University of Kentucky Press, 1957.
- Hammond, Bray, Banks and Politics in America From the Revolution to the Civil War, Princeton, Princeton University Press, 1957.
- Hammond, Jabez D., The History of Political Parties in the State of New-York, 4th edition, 2 vols., Cooperstown, New York, H. and E. Phinney, 1846.
- Handlin, Oscar and Mary Handlin, Commonwealth, a Study of the Role of Government in the American Economy: Massachusetts, 1774-1861, New York, New York University Press, 1947.
- Hartz, Louis, Economic Policy and Democratic Thought: Pennsylvania, 1776-1860, Cambridge, Harvard University Press, 1948.
- _____, The Liberal Tradition in America: An Interpretation of American Political Thought Since the Revolution, New York, Harcourt, Brace and Company, 1955.
- Hibbard, Benjamin, A History of the Public Land Policies, New York, Macmillan Company, 1924.
- Hofstadter, Richard, The American Political Tradition and the Men Who Made it, New York, Vintage Books, 1954 (1948).
- Hugins, Walter, Jacksonian Democracy and the Working Class: A Study of the New York Workingmen's Movement, 1829-1837, Stanford, Stanford University Press, 1960.
- Hurst, James W., Law and the Conditions of Freedom in the Nineteenth-Century United States, Madison, University of Wisconsin Press, 1956.
- Kinley, David, The Independent Treasury of the United States and its Relations to the Banks of the Country, Washington, Government Printing Office, 1910.
- Lebergott, Stanley, "Wage Trends, 1800-1900," Trends in the American Economy in the Nineteenth Century, Vol. XXIV of Studies in Income and Wealth, National Bureau of Economic Research (28 vols.), Princeton, Princeton University Press, 1937-1964.

- Lipset, Seymour M., Political Man: The Social Bases of Politics, New York, Doubleday and Company, Inc., 1960.
- McCormick, Richard P., The Second American Party System: Party Formation in the Jacksonian Era, Chapel Hill, University of North Carolina Press, 1966.
- McGrane, Reginald C., The Panic of 1837: Some Financial Problems of the Jacksonian Era, New York, Russell and Russell, 1965 (1924).
- McMaster, John B., History of the People of the United States, 8 vols., New York, D. Appleton and Company, 1883-1913.
- Meyers, Gustavus, The History of Tammany Hall, New York, published by the author, 1901.
- Meyers, Marvin, The Jacksonian Persuasion: Politics and Belief, Stanford, Stanford University Press, 1957.
- Miller, Douglas T., Jacksonian Aristocracy: Class and Democracy in New York, 1830-1860, New York, Oxford University Press, 1967.
- Miller, Harry E., Banking Theories in the United States Before 1860, Cambridge, Harvard University Press, 1927.
- Miller, Nathan, The Enterprise of a Free People: Aspects of Economic Development in New York State during the Canal Period, 1792-1838, Ithaca, New York, Cornell University Press, 1962.
- Mints, Lloyd W., A History of Banking Theory, Chicago, University of Chicago Press, 1945.
- Myers, Margaret and others, The New York Money Market, 4 vols., New York, Columbia University Press, 1931.
- Nevins, Allan, The Evening Post: A Century of Journalism, New York, Boni and Liveright, 1922.
- North, Douglass C., Growth and Welfare in the American Past, Englewood Cliffs, New Jersey, Prentice-Hall, Inc., 1966.
- Norton, A. B., The Great Revolution of 1840: Reminiscences of the Log Cabin and Hard Cider Campaign, Dallas, Mount Vernon, Ohio, A. B. Norton Company, 1888.
- Parrington, Vernon L., Main Currents in American Thought, 3 vols., New York, Harcourt, Brace and World, Inc., 1927-1930.

- Pessen, Edward, Most Uncommon Jacksonians: The Radical Leaders of the Early Labor Movement, Albany, State University of New York Press, 1967.
- _____, Jacksonian America: Society, Personality and Politics, Homewood, Illinois, Dorsey Press, 1969.
- Potter, David M., People of Plenty: Economic Abundance and the American People, Chicago, University of Chicago Press, 1954.
- Rayback, Joseph, A History of American Labor, 2nd edition, New York, Macmillan Company, 1966.
- Redlich, Fritz, The Molding of American Banking: Men and Ideas, 2nd imprint, New York, Hafner Company, 1951 (1947).
- Remini, Robert V., Martin Van Buren and the Making of the Democratic Party, New York, Columbia University Press, 1959.
- Robbins, Roy M., Our Landed Heritage, Princeton, Princeton University Press, 1942.
- Roseboom, Eugene H., A History of Presidential Elections, 2nd edition, New York, Macmillan Company, 1964.
- Sanderlin, Walter, The Great National Project: a History of the Chesapeake and Ohio Canal, Baltimore, Johns Hopkins Press, 1946.
- Schlesinger, Arthur M., Jr., The Age of Jackson, Boston, Little, Brown and Company, 1945.
- Schneider, David M., The History of Public Welfare in New York State, 1609-1866, Chicago, University of Chicago Press, 1938.
- Shannon, Fred A., Economic History of the People of the United States, New York, Macmillan Company, 1934.
- Smith, Walter B. and Arthur H. Cole, Fluctuations in American Business, 1790-1860, Cambridge, Harvard University Press, 1935.
- Sowers, Don C., The Financial History of New York State, from 1789 to 1912, New York, Columbia University Press, 1914.
- Taus, Esther R., Central Banking Functions of the United States Treasury, 1789-1941, New York, Columbia University Press, 1943.
- Taylor, George R., The Transportation Revolution, 1815-1860, New York, Rinehart and Company, Inc., 1951.

- Turner, Frederick J., The United States, 1830-1850: The Nation and its Sections, New York, Henry Holt and Company, 1935.
- Unger, Irwin, The Greenback Era: a Social and Political History of American Finance, 1865-1879, Princeton, Princeton University Press, 1964.
- Van Deusen, Glyndon G., The Jacksonian Era, 1828-1848, New York, Harper Torchbooks, 1963 (1959).
- Ward, John W., Andrew Jackson: Symbol for an Age, New York, Oxford University Press, 1962.
- Ware, Caroline, The Early New England Cotton Manufacture: a Study in Industrial Beginnings, Boston and New York, Houghton Mifflin Company, 1931.
- Ware, Norman, The Industrial Worker, 1840-1860, Chicago, Quadrangle Books, 1964 (1924).
- Warren, Charles, Bankruptcy in United States History, Cambridge, Harvard University Press, 1935.
- Williamson, Chilton, American Suffrage: From Property to Democracy, 1760-1860, Princeton, Princeton University Press, 1960.
- Wright, Benjamin F., Jr., American Interpretations of Natural Law: A Study in the History of Political Thought, New York, Russell and Russell, 1962 (1931).
- Zahler, Helene S., Eastern Workingmen and National Land Policy, 1829-1862, New York, Columbia University Press, 1941.

Biographies

- Alexander, Holmes, The American Talleyrand, New York, Harper and Bros., 1935.
- Chambers, William N., Old Bullion Benton: Senator from the New West, Boston, Little, Brown and Company, 1956.
- Garraty, John A., Silas Wright, New York, Columbia University Press, 1949.
- Gillet, R. H., The Life and Times of Silas Wright, 2 vols., Albany, Argus Company, 1874.
- Howe, M. A. DeWolfe, The Life and Letters of George Bancroft, 2 vols., New York, Charles Scribner's Sons, 1908.

- Klein, Philips, President James Buchanan, University Park, Pennsylvania State University Press, 1962.
- Lynch, Denis T., An Epoch and a Man: Martin Van Buren and His Times, New York, Horace Liveright, 1929.
- Meigs, William M., The Life of John Caldwell Calhoun, 2 vols., New York, G. E. Stechert and Company, 1917.
- Meyer, Leland W., The Life and Times of Colonel Richard M. Johnson of Kentucky, New York, AMS Press, 1967 (1931).
- Nye, Russel B., George Bancroft: Brahmin Rebel, New York, Alfred Knopf, 1944.
- Remini, Robert V., Andrew Jackson, New York, Twayne Publishers, Inc., 1966.
- Schlesinger, Arthur M., Jr., Orestes A. Brownson: a Pilgrim's Progress, Boston, Little, Brown and Company, 1939.
- Sellers, Charles G., Jr., James K. Polk, 2 vols., Princeton, Princeton University Press, 1957-
- Shepard, Edward M., Martin Van Buren, Boston and New York, Houghton Mifflin Company, 1916 (1888).
- Smith, William E., The Francis Preston Blair Family in Politics, 2 vols., New York, Macmillan Company, 1933.
- Spencer, Ivor D., The Victor and the Spoils: a Life of William L. Marcy, Providence, Brown University Press, 1959.
- Steiner, Bernard C., The Life of Reverdy Johnson, Baltimore, Norman, Remington Company, 1914.
- Swisher, Carl B., Roger B. Taney, New York, Macmillan Company, 1935.
- Thompson, D. G. Brinton, Ruggles of New York: a Life of Samuel Ruggles, New York, AMS Press, 1968 (1946).
- Tyler, Samuel, Memoir of Roger Brooke Taney, LL. D., Baltimore, John Murphy and Company, 1872.
- Van Deusen, Glyndon G., Horace Greeley: Nineteenth-Century Crusader, Philadelphia, University of Pennsylvania Press, 1953.
-
- _____, Thurlow Weed: Wizard of the Lobby, Boston, Little, Brown and Company, 1947.

_____, William Henry Seward, New York, Oxford University Press, 1967.

Waterman, William R., Frances Wright, New York, Columbia University Press, 1924.

Wiltse, Charles M., John C. Calhoun, 3 vols., New York and Indianapolis, Bobbs-Merrill Company, 1944-1951.

Articles

Bowers, Robert, "Note on 'Did Labor Support Jackson?: The Boston Story,'" Political Science Quarterly, LXXV (September, 1950), 441-444.

Callender, Guy S., "The Early Transportation and Banking Enterprises of the States in Relation to the Growth of Corporations," Quarterly Journal of Economics, XVII (November, 1902), 111-162.

Carlton, Frank, "The Workingmen's Party of New York City: 1829-1831," Political Science Quarterly, XXII (September, 1907), 401-415.

Carleton, William G., "Political Aspects of the Van Buren Era," South Atlantic Quarterly, L (April, 1951), 167-185.

Coker, Francis, "American Traditions Concerning Property and Liberty," American Political Science Review, XXX (February, 1936), 1-23.

Commons, John R., "Labor Organization and Labor Politics, 1827-1837," Quarterly Journal of Economics, XXI (February, 1907), 323-329.

Degler, Carl, "The Locofocos: Urban 'Agrarians,'" Journal of Economic History, XVI (September, 1956), 322-333.

Dorfman, Joseph, "The Jacksonian Wage-Earner Thesis," American Historical Review, LIV (January, 1949), 296-306.

Gatell, Frank O., "Sober Second Thoughts on Van Buren, the Albany Regency, and the Wall Street Conspiracy," Journal of American History, LIII (June, 1966), 19-40.

_____, "Spoils of the Bank War: Political Bias in the Selection of Pet Banks," American Historical Review, LXX, part one (October, 1964), 35-58.

Hammond, Bray, "Free Banks and Corporations: The New York Free Banking Act of 1838," Journal of Political Economy, XLIV (February, 1936), 184-209.

- _____, "Long and Short Term Credit in Early American Banking," Quarterly Journal of Economics, IL (November, 1934), 79-103.
- Harrison, Joseph, Jr., "Martin Van Buren and his Southern Supporters," Journal of Southern History, XXII (November, 1956), 438-458.
- Hartz, Louis, "Seth Luther: The Story of a Working-Class Rebel," New England Quarterly, XIII (September, 1940), 401-418.
- Hershkowitz, Leo, "The Loco-Foco Party of New York: Its Origin and Career, 1835-1837," The New-York Historical Society Quarterly, XLVI (July, 1962), 305-329.
- Hofstadter, Richard, "William Leggett, Spokesman of Jacksonian Democracy," Political Science Quarterly, LVIII (December, 1945), 581-594.
- Hugins, Walter, "Ely Moore: The Case History of a Jacksonian Labor Leader," Political Science Quarterly, LXV (March, 1950), 105-125.
- Ladu, Arthur I., "Emerson: Whig or Democrat," New England Quarterly, XIII (September, 1940), 419-441.
- Lebowitz, Michael A., "The Jacksonians: Paradox Lost?" Towards a New Past: Dissenting Essays in American History, edited by Barton J. Bernstein, New York, Vintage Books, 1969 (1967).
- McCormick, Richard, "New Perspectives on Jacksonian Politics," American Historical Review, LXXV (January, 1960), 288-301.
- Macesich, George, "Sources of Monetary Disturbances in the United States, 1834-1845," Journal of Economic History, XX (September, 1960), 407-426.
- Marshall, Lynn L., "The Strange Stillbirth of the Whig Party," American Historical Review, LXXII, part one (January, 1967), 445-468.
- Morris, Richard B., "Andrew Jackson, Strikebreaker," American Historical Review, LV (October, 1949), 54-68.
- Neufeld, Maurice F., "Realms of Thought and Organized Labor in the Age of Jackson," Labor History, X (Winter, 1969), 5-43.
- Pessen, Edward, "Did Labor Support Jackson?: The Boston Story," Political Science Quarterly, LXIV (June, 1949), 262-274.

- _____, "The Workingmen's Movement of the Jacksonian Era," Mississippi Valley Historical Review, XLIII (December, 1956), 428-443.
- _____, "The Working Men's Party Revisited," Labor History (Fall, 1963), 203-226.
- Reznek, Samuel, "The Social History of an American Depression, 1837-1843," American Historical Review, XL (July, 1935), 662-687.
- Scheiber, Harry, "The Pet Banks in Jacksonian Politics and Finance, 1833-1841," Journal of Economic History, XXIII (June, 1963), 196-214.
- Smith, Walter B., "Wage Rates on the Erie Canal, 1828-1881," Journal of Economic History, XXIII (September, 1963), 298-311.
- Spencer, Ivor, "William L. Marcy Goes Conservative," Mississippi Valley Historical Review, XXXI (September, 1944), 205-224.
- Sullivan, William A., "Did Labor Support Andrew Jackson?" Political Science Quarterly, LXII (December, 1947), 569-580.
- _____, "The Industrial Revolution and the Factory Operative in Pennsylvania," Pennsylvania Magazine of History and Biography, LXXVIII (October, 1954), 476-494.
- Timberlake, Richard H., Jr., "The Independent Treasury and Monetary Policy Before the Civil War," Southern Economic Journal, XXVII (October, 1960), 92-110.
- _____, "The Specie Circular and Distribution of the Surplus," Journal of Political Economy, LXXVIII (April, 1960), 109-117.
- _____, "The Specie Standard and Central Banking in the United States Before 1860," Journal of Economic History, XXI (September, 1961), 318-341.
- Trimble, William, "Diverging Tendencies in the New York Democracy in the Period of the Loco-Focos," American Historical Review, XXIV (April, 1919), 396-420.
- _____, "The Social Philosophy of the Loco-Foco Democracy," American Journal of Sociology, XXVI (March, 1921), 705-715.
- Van Deusen, Glyndon G., "Some Aspects of Whig Thought and Theory in the Jacksonian Period," American Historical Review, LXIII (January, 1958), 305-322.

Unpublished Materials

Curtis, James C., "The Heritage Imperiled: Martin Van Buren and the Presidency, 1837-1841," unpublished Ph. D. dissertation, Department of History, Northwestern University, Evanston, Illinois, 1967.

Degler, Carl, "An Inquiry into the Locofoco Party," unpublished master's thesis, Department of Political Science, Columbia University, New York, 1947.

Miscellaneous

Biographical Directory of the American Congress, 1774-1961, Washington, Government Printing Office, 1961.

Johnson, Allen and Dumas Malone, editors, Dictionary of American Biography, 22 vols., New York, Charles Scribner's Sons, 1928-1958.