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AMERICAN STATESMEN

EDITED BY

JOHN T. MORSE, JR.

IN THIRTY-TWO VOLUMES VOL. XIII.

THE JEFFERSONIAN DEMOCRACY

ALBERT GALLATIN

ToC

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American Statesmen

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ALBERT GALLATIN

BY

JOHN AUSTIN STEVENS

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PREFACE

Every generation demands that history shall be rewritten. This is not alone because it requires that the work should be adapted to its own point of view, but because it is instinctively seeking those lines which connect the problems and lessons of the past with its own questions and circumstances. If it were not for the existence of lines of this kind, history might be entertaining, but would have little real value. The more numerous they are between the present and any earlier period, the more valuable is, for us, the history of that period. Such considerations establish an especial interest just at present in the life of Gallatin.

The Monroe Doctrine has recently been the pivot of American statesmanship. With that doctrine Mr. Gallatin had much to do, both as minister to France and envoy to Great Britain. Indeed, in 1818, some years before the declaration of that doctrine, when the Spanish colonies of South America were in revolt, he declared that the United States would not even aid France in a mediation. Later, in May, 1823, six months before the famous message of President Monroe, Mr. Gallatin had already uttered its idea; when about leaving Paris, on his return from the French mission, he said to Chateaubriand, the French minister of foreign affairs (May 13, 1823): “The United States would undoubtedly preserve their neutrality, provided it were respected, and avoid any interference with the politics of Europe.... On the other hand, they would not suffer others to interfere against the emancipation of America.” With characteristic vanity Canning said that it was he himself who “called the new world into existence to redress the balance of the old.” Yet precisely this had already for a long while been a cardinal point of the policy of the United States. So early as 1808, Jefferson, alluding to the disturbed condition of the Spanish colonies, said: “We consider their interest and ours as the same, and that the object of both must be to exclude all European influence in this hemisphere.”

Matters of equal interest are involved in the study of Mr. Gallatin's actions and opinions in matters of finance. Every one knows that he ranks among the distinguished financiers of the world, and problems which he had to consider are still agitating the present generation. He was opposed alike to a national debt and to paper money. Had the metallic basis of the United States been adequate, he would have accepted no other circulating medium, and would have consented to the use of paper money only for purposes of exchange and remittance. In 1830 he urged the restriction of paper money to notes of one hundred dollars each, which were to be issued by the government. Obviously these must be used chiefly for transmitting funds, and would be of little use for the daily transactions of the people. Yet even this concession was due to the fact that the

United States was then a debtor country, and so late as 1839, as Mr. Gallatin said, “specie was a foreign product.” For subsidiary money he favored silver coins at eighty-five per cent. of the dollar value, a sufficient alloy to hold them in the country. Silver was then the circulating medium of the world, the people's pocket money, and gold was the basis and the solvent of foreign exchanges.

Great interest attaches to the application of some other of Gallatin's financial principles to more modern problems; and a careful study of his papers may fairly enable us to form a few conclusions. It may be safely said that he would not have favored a national bank currency based on government bonds. This, however, would not have been because of any objection to the currency itself, but because the scheme would insure the continuance of a national debt. He was too practical, also, not to see that the ultimate security is the faith of the government, and that no filtering of that responsibility through private banks could do otherwise than injure it. Further, it is reasonably safe to say that he would favor the withdrawal both of national bank notes and of United States notes, the greenbacks so-called; and that he would consent to the use of paper only in the form of certificates directly representing the precious metals, gold and silver; also that he would limit the use of silver to its actual handling by the people in daily transactions. He would feel safe to disregard the fluctuations of the intrinsic value of silver, when used in this limited way as a subordinate currency, on the ground that the stamp of the United States was sufficient for conferring the needed value, when the obligation was only to maintain the parity, not of the silver, but of the coin, with gold. He understood that, in the case of a currency which is merely subordinate, parity arises from the guaranty of the government, and not from the quality of the coin; and that only such excess of any subordinate currency as is not needed for use in daily affairs can be presented for redemption. This principle, well understood by him, is recognized in European systems, wherein the minimum of circulation is recognized as a maximum limit of uncovered issues of paper. The circulation of silver, or of certificates based upon it, comes within the same rule.

At the time of the publication of this volume objection was taken to the author's statement that, until the publication of Gallatin's writings, his fame as a statesman and political leader was a mere tradition. Yet in point of fact, not only is his name hardly mentioned by the early biographers of Jefferson, Madison, and J. Q. Adams, but even by the later writers in this very Series, his work, varied and important as it was, has been given but scant notice. The historians of the United States, and those who have made a specialty of the study of political parties, have been alike indifferent or derelict in their investigations to such a degree that it required months of original research in the annals of Congress to ascertain Gallatin's actual relations towards the Federalist party which he helped to overthrow, and towards the Republican party which he did so much to found, and of which he became the ablest champion, in Congress by debate, and in the cabinet by administration.

Invited by the publishers of the Statesmen Series to bring this study “up to date,” the author has found no important changes to make in his work as he first prepared it. In the original investigation every source of information was carefully explored, and no new sources have since then been discovered. Mr. Gallatin's writings, carefully preserved in originals and copies, and well arranged, supplied the details; while the family traditions, with which the author was familiar, indicated the objects to be obtained. But so wide was the general field of Mr. Gallatin's career, so varied were his interests in all that pertained to humanity, philanthropy, and science, and so extensive were his relations with the leaders of European and American thought and action, that the subject could only be treated on the broadest basis. With this apology this study of one of the most interesting characters of American life is again commended to the indulgence of the American people.

Newport, April, 1898.

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From the original painting by Gilbert Stuart, in the possession of Frederic W. Stevens, Esq., New York, N. Y.
Autograph from the Chamberlain collection, Boston Public Library.
The vignette of “Friendship Hill,” Mr. Gallatin's home at New Geneva, Pa., is from a photograph.

ALBERT GALLATIN

CHAPTER I

ToC

EARLY LIFE

Of all European-born citizens who have risen to fame in the political service of the United States, Albert Gallatin is the most distinguished. His merit in legislation, administration, and diplomacy is generally recognized, and he is venerated by men of science on both continents. Not, however, until the publication of his writings was the extent of his influence upon the political life and growth of the country other than a vague tradition. Independence and nationality were achieved by the Revolution, in which he bore a slight and unimportant part; his place in history is not, therefore, among the founders of the Republic, but foremost in the rank of those early American statesmen, to whom it fell to interpret and administer the organic laws which the founders declared and the people ratified in the Constitution of the United States. A study of his life shows that, from the time of the peace until his death, his influence, either by direct action or indirect counsel, may be traced through the history of the country.

The son of Jean Gallatin and his wife, Sophie Albertine Rollaz, he was born in the city of Geneva on January 29, 1761, and was baptized by the name of Abraham Alfonse Albert Gallatin. The name Abraham he received from his grandfather, but it was early dropped, and he was always known by his matronymic Albert. The Gallatin family held great influence in the Swiss Republic, and from the organization of the State contributed numerous members to its magistracy; others adopted the military profession, and served after the manner of their country in the Swiss contingents of foreign armies. The immediate relatives of Albert Gallatin were concerned in trade. Abraham, his grandfather, and Jean, his father, were partners. The latter dying in 1765, his widow assumed his share in the business. She died in March, 1770, leaving two children,—Albert, then nine years of age, and an invalid daughter who died a few years later. The loss to the orphan boy was lessened, if not compensated, by the care of a maiden lady—Mademoiselle Pictet—who had taken him into her charge at his father's death. This lady, whose affection never failed him, was the intimate friend of his mother as well as a distant relative of his father. Young Gallatin remained in this kind care until January, 1773, when he was sent to a boarding-school, and in August, 1775, to the academy of Geneva, from which he was graduated in May, 1779. The expenses of his education were in great part met by the trustees of the Bourse Gallatin,—a sum left in 1699 by a member of the family, of which the income was to be applied to its necessities. The course of study at the academy was confined to Latin and Greek. These were taught, to use the words of Mr. Gallatin, “Latin thoroughly, Greek much neglected.” Fortunately his preliminary home training had been careful, and he left the academy the first in his class in mathematics, natural philosophy, and Latin translation. French, a language in general use at Geneva, was of course familiar to him. English he also studied. He is not credited with special proficiency in history, but his teacher in this branch was Muller, the distinguished historian, and the groundwork of his information was solid. No American statesman has shown more accurate knowledge of the facts of history, or a more profound insight into its philosophy, than Mr. Gallatin.

Education, however, is not confined to instruction, nor is the influence of an academy to be measured by the extent of its curriculum, or the proficiency of its students, but rather by its general tone, moral and intellectual. The Calvinism of Geneva, narrow in its religious sense, was friendly to the spread of knowledge; and had this not been the case, the side influences of Roman Catholicism on the one hand, and the liberal spirit of the age on the other, would have tempered its exclusive tendency.

While the academy seems to have sent out few men of extraordinary eminence, its influence upon society was happy. Geneva was the resort of distinguished foreigners. Princes and nobles from Germany and the north of Europe, lords and gentlemen from England, and numerous Americans went thither to finish their education. Of these Mr. Gallatin has left mention of Francis Kinloch and William Smith, who later represented South Carolina in the Congress of the United States; Smith was afterwards minister to Portugal; Colonel Laurens, son of the president of Congress, and special envoy to France during the war of the American Revolution; the two Penns, proprietors of Pennsylvania; Franklin Bache, grandson of Dr. Franklin; and young Johannot, grandson of Dr. Cooper of Boston. Yet no one of these followed the academic course. To use again the words of Mr. Gallatin, “It was the Geneva society which they cultivated, aided by private teachers in every branch, with whom Geneva was abundantly supplied.” “By that influence,” he says, he was himself “surrounded, and derived more benefit from that source than from attendance on academical lectures.” Considered in its broader sense, education is quite as much a matter of association as of scholarly acquirement. The influence of the companion is as strong and enduring as that of the master. Of this truth the career of young Gallatin is a notable example. During his academic course he formed ties of intimate friendship with three of his associates. These were Henri Serre, Jean Badollet, and Etienne Dumont. This attachment was maintained unimpaired throughout their lives, notwithstanding the widely different stations which they subsequently filled. Serre and Badollet are only remembered from their connection with Gallatin. Dumont was of different mould. He was the friend of Mirabeau, the disciple and translator of Bentham,—a man of elegant acquirement, but, in the judgment of Gallatin, “without original genius.” De Lolme was in the class above Gallatin. He had such facility in the acquisition of languages that he was able to write his famous work on the English Constitution after the residence of a single year in England. Pictet, Gallatin's relative, afterwards celebrated as a naturalist, excelled all his fellows in physical science.

During his last year at the academy Gallatin was engaged in the tuition of a nephew of Mademoiselle Pictet, but the time soon arrived when he felt called upon to choose a career. His state was one of comparative dependence, and the small patrimony which he inherited would not pass to his control until he should reach his twenty-fifth year,—the period assigned for his majority. It would be hardly just to say that he was ambitious. Personal distinction was never an active motor in his life. Even his later honors, thick and fast though they fell, were rather thrust upon than sought by him. But his nature was proud and sensitive, and he chafed under personal control. The age was restless. The spirit of philosophic inquiry, no longer confined within scholastic limits, was spreading far and wide. From the banks of the Neva to the shores of the Mediterranean, the people of Europe were uneasy and expectant. Men everywhere felt that the social system was threatened with a cataclysm. What would emerge from the general deluge none could foresee. Certainly, the last remains of the old feudality would be engulfed forever. Nowhere was this more thoroughly believed than at the home of Rousseau. Under the shadow of the Alps, every breeze from which was free, the Genevese philosopher had written his “Contrat social,” and invited the rulers and the ruled to a reorganization of their relations to each other and to the world. But nowhere, also, was the conservative opposition to the new theories more intense than here.

The mind of young Gallatin was essentially philosophic. The studies in which he excelled in early life were in this direction, and at no time in his career did he display any emotional enthusiasm on subjects of general concern. But, on the other hand, he was unflinching in his adherence to abstract principle. Though not carried away by the extravagance of Rousseau, he was thoroughly discontented with the political state of Geneva. He was by early conviction a Democrat in the broadest sense of the term. Indeed, it would be difficult to find a more perfect example of what it was then the fashion to call a *citoyen du monde*. His family seem, on the contrary, to have been always conservative, and attached to the aristocratic and oligarchic system to which they had, for centuries, owed their position and advancement.

Abraham Gallatin, his grandfather, lived at Pregny on the northern shore of the lake, in close neighborhood to Ferney, the retreat of Voltaire. Susanne Vaudenet Gallatin, his grandmother, was a woman of the world, a lady of strong character, and the period was one when the influence of women was paramount in the affairs of men; among her friends she counted Voltaire, with whom her husband and herself were on intimate relations, and Frederick, Landgrave of Hesse-Cassel, with whom she corresponded. So sincere was this latter attachment that the sovereign sent his portrait to her in 1776, an honor which, at her instance, Voltaire acknowledged in a verse characteristic of himself and of the time:—

“J'ai baisé ce portrait charmant,
Je vous l'avoûrai sans mystère,
Mes filles en out fait autant,
Mais c'est un secret qu'il faut taire.
Vous trouverez bon qu'une mère
Vous parle un peu plus hardiment,
Et vous verrez qu'également,

En tous les temps vous savez plaire.”

At Pregny young Gallatin was the constant guest of his nearest relatives on his father's side, and he was a frequent visitor at Ferney. Those whose fortune it has been to sit at the feet of Mr. Gallatin himself, in the serene atmosphere of his study, after his retirement from active participation in public concerns, may well imagine the influence which the rays of the prismatic character of Voltaire must have had upon the philosophic and receptive mind of the young student.

There was and still is a solidarity in European families which can scarcely be said to have ever had a counterpart in those of England, and of which hardly a vestige remains in American social life. The fate of each member was a matter of interest to all, and the honor of the name was of common concern. Among the Gallatins, the grandmother, Madame Gallatin-Vaudenet, as she was called, appears to have been the controlling spirit. To her the profession of the youthful scion of the stock was a matter of family consequence, and she had already marked out his future course. The Gallatins, as has been already stated, had acquired honor in the military service of foreign princes. Her friend, the Landgrave of Hesse, was engaged in supporting the uncertain fortunes of the British army in America with a large military contingent, and she had only to ask to obtain for her grandson the high commission of lieutenant-colonel of one of the regiments of Hessian mercenaries. To the offer made to young Gallatin, and urged with due authority, he replied, that “he would never serve a tyrant;” a want of respect which was answered by a cuff on the ear. This incident determined his career. Whether it crystallized long-cherished fancies into sudden action, or whether it was of itself the initial cause of his resolve, is now mere matter of conjecture; probably the former. The three friends, Gallatin, Badollet, and Serre seem to have amused their leisure in planning an ideal existence in some wilderness. America offered a boundless field for the realization of such dreams, and the spice of adventure could be had for the seeking. Here was the forest primeval in its original grandeur. Here the Indian roamed undisputed master; not the tutored Huron of Voltaire's tale, but the savage of torch and tomahawk. The continent was as yet unexplored. In uncertainty as to motives for man's action the French magistrate always searches for the woman,—“cherchez la femme!” One single allusion in a letter written to Badollet, in 1783, shows that there was a woman in Gallatin's horoscope. Who she was, what her relation to him, or what influence she had upon his actions, nowhere appears. He only says that besides Mademoiselle Pictet there was one friend, “une amie,” at Geneva, from whom a permanent separation would be hard.

Confiding his purpose to his friend Serre, Gallatin easily persuaded this ardent youth to join him in his venturesome journey, and on April 1, 1780, the two secretly left Geneva. It certainly was no burning desire to aid the Americans in their struggle for independence, such as had stirred the generous soul of Lafayette, that prompted this act. In later life he repeatedly disclaimed any such motive. It was rather a longing for personal independence, for freedom from the trammels of a society in which he had little faith or interest. Nor were his political opinions at this time matured. He had a just pride in the Swiss Republic as a free State (Etat libre), and his personal bias was towards the “Négatif” party, as those were called who maintained the authority of the Upper Council (Petit Conseil) to reject the demands of the people. To this oligarchic party his family belonged. In a letter written three years later, he confesses that he was “Négatif” when he abandoned his home, and conveys the idea that his emigration was an experiment, a search for a system of government in accordance with his abstract notions of natural justice and political right. To use his own words, he came to America to “drink in a love for independence in the freest country of the universe.” But there was some method in this madness. The rash scheme of emigration had a practical side; land speculation and commerce were to be the foundation and support of the settlement in the wilderness where they would realize their political Utopia.

From Geneva the young adventurers hurried to Nantes, on the coast of France, where Gallatin soon received letters from his family, who seem to have neglected nothing that could contribute to their comfort or advantage. Monsieur P. M. Gallatin, the guardian of Albert, a distant relative in an elder branch of the family, addressed him a letter which, in its moderation, dignity, and kindness, is a model of well-tempered severity and reproach. It expressed the pain Mademoiselle Pictet had felt at his unceremonious departure, and his own affliction at the ingratitude of one to whom he had never refused a request. Finally, as the trustee of his estate till his majority, the guardian assures the errant youth that he will aid him with pecuniary resources as far as possible, without infringing upon the capital, and within the sworn obligation of his trust. Letters of recommendation to distinguished Americans were also forwarded, and in these it is found, to the high credit of the family, that no distinction was made between the two young men, although Serre seems to have been considered as the originator of the bold move. The intervention of the Duke de la Rochefoucauld d'Enville was solicited, and a letter was obtained by him from Benjamin Franklin—then American minister at the Court of Versailles—to his son-in-law, Richard Bache. Lady Juliana Penn wrote in their behalf to John Penn at Philadelphia, and Mademoiselle Pictet to Colonel Kinloch, member of the Continental Congress from South Carolina. Thus supported in their undertaking the youthful travelers sailed from L'Orient on May 27, in an American vessel, the Kattie, Captain Loring. Of the sum which Gallatin, who supplied the capital for the expedition, brought from Geneva, one half had been expended in their land journey and the payment of the passages to Boston; one half, eighty louis d'or—the equivalent of four hundred silver dollars—remained, part of which they invested in tea. Reaching the American coast in a fog, or bad weather, they were landed at Cape Ann on July 14. From Gloucester they rode the next day to Boston on horseback, a distance of thirty miles. Here they put up at a French café, “The Sign of the Alliance,” in Fore Street, kept by one Tahon, and began to consider what step they should next take in the new world.

The prospects were not encouraging; the military fortunes of the struggling nation were never at a lower ebb than during the summer which intervened between the disaster of Camden and the discovery of Arnold's treason. Washington's army lay at New Windsor in enforced inactivity; enlistments were few, and the currency was almost worthless. Such was the stagnation in trade, that the young strangers found it extremely difficult to dispose of their little venture in tea. Two months were passed at the café, in waiting for an opportunity to go to Philadelphia, where Congress was in session, and where they expected to find the influential persons to whom they were accredited; also letters from Geneva. But this journey was no easy matter. The usual routes of travel were interrupted. New York was the fortified headquarters of the British army, and the Middle States were only to be reached by a détour through the American lines above the Highlands and behind the Jersey Hills.

The homesick youths found little to amuse or interest them in Boston, and grew very weary of its monotonous life and Puritanic tone. They missed the public amusements to which they were accustomed in their own country, and complained of the superstitious observance of Sunday, when “singing, fiddling, card-playing and bowling were forbidden.” Foreigners were not welcome guests in this town of prejudice. The sailors of the French fleet had already been the cause of one riot. Gallatin's letters show that this aversion was fully reciprocated by him.

The neighboring country had some points of interest. No Swiss ever saw a hill without an intense desire to get to its top. They soon felt the magnetic attraction of the Blue Hills of Milton, and, descrying from their summit the distant mountains north of Worcester, made a pedestrian excursion thither the following day. Mr. Gallatin was wont to relate with glee an incident of this trip, which Mr. John Russell Bartlett repeats in his “Reminiscences.”

> “The tavern at which he stopped on his journey was kept by a man who partook in a considerable degree of the curiosity even now-a-days manifested by some landlords in the back parts of New England to know the whole history of their guests. Noticing Mr. Gallatin's French accent he said, 'Just from France, eh! You are a Frenchman, I suppose.' 'No!' said Mr. Gallatin, 'I am not from France.' 'You can't be from England, I am sure?' 'No!' was the reply. 'From Spain?' 'No!' 'From Germany?' 'No!' 'Well, where on earth are you from then, or what are you?' eagerly asked the inquisitive landlord. 'I am a Swiss,' replied Mr. Gallatin. 'Swiss, Swiss, Swiss!' exclaimed the landlord, in astonishment. 'Which of the ten tribes are the Swiss?'”

Nor was this an unnatural remark. At this time Mr. Gallatin did not speak English with facility, and indeed was never free from a foreign accent.

At the little café they met a Swiss woman, the wife of a Genevan, one De Lesdernier, who had been for thirty years established in Nova Scotia, but, becoming compromised in the attempt to revolutionize the colony, was compelled to fly to New England, and had settled at Machias, on the northeastern extremity of the Maine frontier. Tempted by her account of this region, and perhaps making a virtue of necessity, Gallatin and Serre bartered their tea for rum, sugar, and tobacco, and, investing the remainder of their petty capital in similar merchandise, they embarked October 1, 1780, upon a small coasting vessel, which, after a long and somewhat perilous passage, reached the mouth of the Machias River on the 15th of the same month. Machias was then a little settlement five miles from the mouth of the stream of the same name. It consisted of about twenty houses and a small fortification, mounting seven guns and garrisoned by fifteen or twenty men. The young travelers were warmly received by the son of Lesdernier, and made their home under his roof. This seems to have been one of the four or five log houses in a large clearing near the fort. Gallatin attempted to settle a lot of land, and the meadow where he cut the hay with his own hands is still pointed out. This is Frost's meadow in Perry, not far from the site of the Indian village. A single cow was the beginning of a farm, but the main occupation of the young men was woodcutting. No record remains of the result of the merchandise venture. The trade of Machias was wholly in fish, lumber, and furs, which, there being no money, the settlers were ready enough to barter for West India goods. But the outlet for the product of the country was, in its unsettled condition, uncertain and precarious, and the young traders were no better off than before. One transaction only is remembered, the advance by Gallatin to the garrison of supplies to the value of four hundred dollars; for this he took a draft on the state treasury of Massachusetts, which, there being no funds for its payment, he sold at one fourth of its face value.

The life, rude as it was, was not without its charms. Serre seems to have abandoned himself to its fascination without a regret. His descriptive letters to Badollet read like the “Idylls of a Faun.” Those of Gallatin, though more tempered in tone, reveal quiet content with the simple life and a thorough enjoyment of nature in its original wildness. In the summer they followed the tracks of the moose and deer through the primitive forests, and explored the streams and lakes in the light birch canoe, with a woodsman or savage for their guide. In the winter they made long journeys over land and water on snowshoes or on skates, occasionally visiting the villages of the Indians, with whom the Lesderniers were on the best of terms, studying their habits and witnessing their feasts. Occasional expeditions of a different nature gave zest and excitement to this rustic life. These occurred when alarms of English invasion reached the settlement, and volunteers marched to the defence of the frontier. Twice Gallatin accompanied such parties to Passamaquoddy, and once, in November, 1780, was left for a time in command of a small earthwork and a temporary garrison of whites and Indians at that place. At Machias Gallatin made one acquaintance which greatly interested him, that of La Pérouse, the famous navigator. He was then in command of the Amazone frigate, one of the French squadron on the American coast, and had in convoy a fleet of fishing vessels on their way to the Newfoundland banks. Gallatin had an intense fondness for geography, and was delighted with La Pérouse's narrative of his visit to Hudson's Bay, and of his

discovery there (at Fort Albany, which he captured) of the manuscript journal of Samuel Hearne, who some years before had made a voyage to the Arctic regions in search of a northwest passage. Gallatin and La Pérouse met subsequently in Boston.

The winter of 1780-81 was passed in the cabin of the Lesderniers. The excessive cold does not seem to have chilled Serre's enthusiasm. Like the faun of Hawthorne's mythical tale, he loved Nature in all her moods; but Gallatin appears to have wearied of the confinement and of his uncongenial companions. The trading experiment was abandoned in the autumn, and with some experience, but a reduced purse, the friends returned in October to Boston, where Gallatin set to work to support himself by giving lessons in the French language. What success he met with at first is not known, though the visits of the French fleet and the presence of its officers may have awakened some interest in their language. However this may be, in December Gallatin wrote to his good friend, Mademoiselle Pictet, a frank account of his embarrassments. Before it reached her, she had already, with her wonted forethought, anticipated his difficulties by providing for a payment of money to him wherever he might be, and had also secured for him the interest of Dr. Samuel Cooper, whose grandson, young Johannot, was then at school in Geneva. Dr. Cooper was one of the most distinguished of the patriots in Boston, and no better influence could have been invoked than his. In July, 1782, by a formal vote of the President and Fellows of Harvard College, Mr. Gallatin was permitted to teach the French language. About seventy of the students availed themselves of the privilege. Mr. Gallatin received about three hundred dollars in compensation. In this occupation he remained at Cambridge for about a year, at the expiration of which he took advantage of the close of the academic course to withdraw from his charge, receiving at his departure a certificate from the Faculty that he had acquitted himself in his department with great reputation.

The war was over, the army of the United States was disbanded, and the country was preparing for the new order which the peace would introduce into the habits and occupations of the people. The long-sought opportunity at last presented itself, and Mr. Gallatin at once embraced it. He left Boston without regret. He had done his duty faithfully, and secured the approbation and esteem of all with whom he had come in contact, but there is no evidence that he cared for or sought social relations either in the city or at the college. Journeying southward he passed through Providence, where he took sail for New York. Stopping for an hour at Newport for dinner, he reached New York on July 21, 1783. The same day the frigate Mercury arrived from England with news of the signature of the definitive treaty of peace. He was delighted with the beauty of the country-seats above the city, the vast port with its abundant shipping, and with the prospect of a theatrical entertainment. The British soldiers and sailors, who were still in possession, he found rude and insolent, but the returning refugees civil and honest people. At Boston Gallatin made the acquaintance of a French gentleman, one Savary de Valcoulon, who had crossed the Atlantic to prosecute in person certain claims against the State of Virginia for advances made by his house in Lyons during the war. He accompanied Gallatin to New York, and together they traveled to Philadelphia; Savary, who spoke no English, gladly attaching to himself as his companion a young man of the ability and character of Gallatin.

At Philadelphia Gallatin was soon after joined by Serre, who had remained behind, engaged also in giving instruction. The meeting at Philadelphia seems to have been the occasion for the dissolution of a partnership in which Gallatin had placed his money, and Serre his enthusiasm and personal charm. A settlement was made; Serre giving his note to Gallatin for the sum of six hundred dollars,—one half of their joint expenses for three years,—an obligation which was repaid more than half a century later by his sister. Serre then joined a fellow-countryman and went to Jamaica, where he died in 1784. At Philadelphia Gallatin and Savary lodged in a house kept by one Mary Lynn. Pelatiah Webster, the political economist, who owned the house, was also a boarder. Later he said of his fellow-lodgers that “they were well-bred gentlemen who passed their time conversing in French.” Gallatin, at the end of his resources, gladly acceded to Savary's request to accompany him to Richmond.

Whatever hesitation Gallatin may have entertained as to his definitive expatriation was entirely set at rest by the news of strife between the rival factions in Geneva and the interposition of armed force by the neighboring governments. This interference turned the scale against the liberal party. Mademoiselle Pictet was the only link which bound him to his family. For his ingratitude to her he constantly reproached himself. He still styled himself a citizen of Geneva, but this was only as a matter of convenience and security to his correspondence. His determination to make America his home was now fixed. The lands on the banks of the Ohio were then considered the most fertile in America,—the best for farming purposes, the cultivation of grain, and the raising of cattle. The first settlement in this region was made by the Ohio Company, an association formed in Virginia and London, about the middle of the century, by Thomas Lee, together with Lawrence and Augustine, brothers of George Washington. The lands lay on the south side of the Ohio, between the Monongahela and Kanawha rivers. These lands were known as “Washington's bottom lands.” In this neighborhood Gallatin determined to purchase two or three thousand acres, and prepare for that ideal country home which had been the dream of his college days. Land here was worth from thirty cents to four dollars an acre. His first purchase was about one thousand acres, for which he paid one hundred pounds, Virginia currency. Land speculation was the fever of the time. Savary was early affected by it, and before the new friends left Philadelphia for Richmond he bought warrants for one hundred and twenty thousand acres in Virginia, in Monongalia County, between the Great and Little Kanawha rivers, and interested Gallatin to the extent of one quarter in the purchase. Soon after the completion of this transaction the sale of some small portions reimbursed them for three fourths of the original cost. This was the first time when, and Savary was the first person to whom, Gallatin was willing to incur a pecuniary obligation. Throughout his

life he had an aversion to debt; small or large, private or public. It was arranged that Gallatin's part of the purchase money was not to be paid until his majority,—January 29, 1786,—but in the meanwhile he was, in lieu of interest money, to give his services in personal superintendence. Later Savary increased Gallatin's interest to one half. Soon after these plans were completed, Savary and Gallatin moved to Richmond, where they made their residence.

In February, 1784, Gallatin returned to Philadelphia, perfected the arrangements for his expedition, and in March crossed the mountains, and, with his exploring party, passed down the Ohio River to Monongalia County in Virginia. The superior advantages of the country north of the Virginia line determined him to establish his headquarters there. He selected the farm of Thomas Clare, at the junction of the Monongahela River and George's Creek. This was in Fayette County, Pennsylvania, about four miles north of the Virginia line. Here he built a log hut, opened a country store, and remained till the close of the year. It was while thus engaged at George's Creek, in September of the year 1784, that Gallatin first met General Washington, who was examining the country, in which he had large landed interests, to select a route for a road across the Alleghanies. The story of the interview was first made public by Mr. John Russell Bartlett, who had it from the lips of Mr. Gallatin. The version of the late Hon. William Beach Lawrence, in a paper prepared for the New York Historical Society, differs slightly in immaterial points. Mr. Lawrence says:—

> “Among the incidents connected with his (Mr. Gallatin's) earliest explorations was an interview with General Washington, which he repeatedly recounted to me. He had previously observed that of all the inaccessible men he had ever seen, General Washington was the most so. And this remark he made late in life, after having been conversant with most of the sovereigns of Europe and their prime ministers. He said, in connection with his office, he had a cot-bed in the office of the surveyor of the district when Washington, who had lands in the neighborhood, and was desirous of effecting communication between the rivers, came there. Mr. Gallatin's bed was given up to him,—Gallatin lying on the floor, immediately below the table at which Washington was writing. Washington was endeavoring to reduce to paper the calculations of the day. Gallatin, hearing the statement, came at once to the conclusion, and, after waiting some time, he himself gave the answer, which drew from Washington such a look as he never experienced before or since. On arriving by a slow process at his conclusion, Washington turned to Gallatin and said, 'You are right, young man.'”

The points of difference between the two accounts of this interview are of little importance. The look which Washington is said to have given Mr. Gallatin has its counterpart in that with which he is also said to have turned upon Gouverneur Morris, when accosted by him familiarly with a touch on the shoulder. Bartlett, in his recollection of the anecdote, adds that Washington, about this period, inquired after the forward young man, and urged him to become his land agent,—an offer which Gallatin declined.

The winter of 1784-85 was passed in Richmond, in the society of which town Mr. Gallatin began to find a relief and pleasure he had not yet experienced in America. At this period the Virginia capital was the gayest city in the Union, and famous for its abundant hospitality, rather facile manners, and the liberal tendency of its religious thought. Gallatin brought no prudishness and no orthodoxy in his Genevese baggage. One of the last acts of his life was to recognize in graceful and touching words the kindness he then met with:—

> “I was received with that old proverbial Virginia hospitality to which I know no parallel anywhere within the circle of my travels. It was not hospitality only that was shown to me. I do not know how it came to pass, but every one with whom I became acquainted appeared to take an interest in the young stranger. I was only the interpreter of a gentleman, the agent of a foreign house, that had a large claim for advances to the State, and this made me known to all the officers of government, and some of the most prominent members of the Legislature. It gave me the first opportunity of showing some symptoms of talent, even as a speaker, of which I was not myself aware. Every one encouraged me, and was disposed to promote my success in life. To name all those from whom I received offers of service would be to name all the most distinguished residents at that time in Richmond.”

In the spring of 1785, fortified with a certificate from Governor Patrick Henry, commending him to the county surveyor, and intrusted by Henry with the duty of locating two thousand acres of lands in the western country for a third party, he set out from Richmond, on March 31, alone, on horseback. Following the course of the James River he crossed the Blue Ridge at the Peaks of Otter, and reached Greenbrier Court House on April 18. On the 29th he arrived at Clare's, on George's Creek, where he was joined by Savary. Their surveying operations were soon begun, each taking a separate course. An Indian rising broke up the operations of Savary, and both parties returned to Clare's. Gallatin appeared before the court of Monongalia County, at its October term, and took the “oath of allegiance and fidelity to the Commonwealth of Virginia.” Clare's, his actual residence, was north of the Virginia line, but his affections were with the old Dominion. In November the partners hired from Clare a house at George's Creek, in Springfield township, and established their residence, after which they returned to Richmond by way of Cumberland and the Potomac. In February, 1786, Gallatin made his permanent abode at his new home.

Mention has been made of the intimacy of the young emigrants with Jean Badollet, a college

companion. When they left Geneva he was engaged in the study of theology, and was now a teacher. He was included in the original plan of emigration, and the first letters of both Gallatin and Serre, who had for him an equal attachment, were to him, and year by year, through all the vicissitudes of their fortune, they kept him carefully informed of their movements and projects. For two years after their departure no word was received from him. At last, spurred by the sharp reproaches of Serre, he broke silence. In a letter written in March, 1783, informing Gallatin of the troubles in Switzerland, he excused himself on the plea that their common friend, Dumont, retained him at Geneva. In answer, Gallatin opened his plans of western settlement, which included the employment of his fortune in the establishment of a number of families upon his lands. He suggested to Badollet to bring with him the little money he had, to which enough would be added to establish him independently. Dumont was invited to accompany him. But with a prudence which shows that his previous experience had not been thrown away upon him, Gallatin recommends his friend not to start at once, but to hold himself ready for the next, or, at the latest, the year succeeding, at the same time suggesting the idea of a general emigration of such Swiss malcontents as were small capitalists and farmers; that of manufacturers and workmen he discouraged. It was not, however, until the spring of 1785, on the eve of leaving Richmond with some families which he had engaged to establish on his lands, that he felt justified in asking his old friend to cross the seas and share his lot. This invitation was accepted, and Badollet joined him at George's Creek.

The settlement beginning to spread, Gallatin bought another farm higher up the river, to which he gave the name of Friendship Hill. Here he later made his home.

The western part of Pennsylvania, embracing the area which stretches from the Alleghany Mountains to Lake Erie, is celebrated for the wild, picturesque beauty of its scenery. Among its wooded hills the head waters of the Ohio have their source. At Fort Duquesne, or Pittsburgh, where the river takes a sudden northerly bend before finally settling in swelling volume on its southwesterly course to the Mississippi, the Monongahela adds its mountain current, which separates in its entire course from the Virginia line the two counties of Fayette and Washington. The Monongahela takes its rise in Monongalia County, Virginia, and flows to the northward. Friendship Hill is one of the bluffs on the right bank of the river, and faces the Laurel Ridge to the eastward. Braddock's Road, now the National Road, crosses the mountains, passing through Uniontown and Red Stone Old Fort (Brownsville), on its course to Pittsburgh. The county seat of Fayette is the borough of Union or Uniontown. Gallatin's log cabin, the beginning of New Geneva, was on the right bank of the Monongahela, about twelve miles to the westward of the county seat. Opposite, on the other side of the river, in Washington County, was Greensburg, where his friend Badollet was later established.

Again for a long period Gallatin left his family without any word whatever. His most indulgent friend, Mademoiselle Pictet, could hardly excuse his silence, and did not hesitate to charge that it was due to misfortunes which his pride prompted him to conceal. In the early days of 1786 a rumor of his death reached Geneva, and greatly alarmed his family. Mr. Jefferson, then minister at Paris, wrote to Mr. Jay for information. This was Jefferson's first knowledge of the existence of the young man who was to become his political associate, his philosophic companion, and his truest friend. Meanwhile Gallatin had attained his twenty-fifth year and his majority. His family were no longer left in doubt as to his existence, and in response to his letters drafts were at once remitted to him for the sum of five thousand dollars, through the banking-house of Robert Morris. This was, of course, immediately applied to his western experiment. The business of the partnership now called for his constant attention. It required the exercise of a great variety of mental powers, a cool and discriminating judgment, combined with an incessant attention to details. Nature, under such circumstances, is not so attractive as she appears in youthful dreams; admirable in her original garb, she is annoying and obstinate when disturbed. The view of country which Friendship Hill commands is said to rival Switzerland in its picturesque beauty, but years later, when the romance of the Monongahela hills had faded in the actualities of life, Gallatin wrote of it that “he did not know in the United States any spot which afforded less means to earn a bare subsistence for those who could not live by manual labor.”

Gallatin has been blamed for “taking life awry and throwing away the advantages of education, social position, and natural intelligence,” by his removal to the frontier, and his career compared with that of Hamilton and Dallas, who, like him, foreign born, rose to eminence in politics, and became secretaries of the treasury of the United States. But both of these were of English-speaking races. No foreigner of any other race ever obtained such distinction in American politics as Mr. Gallatin, and he only because he was the choice of a constituency, to every member of which he was personally known. It is questionable whether in any other condition of society he could have secured advancement by election—the true source of political power in all democracies. John Marshall, afterwards Chief Justice, recognized Gallatin's talent soon after his arrival in Richmond, offered him a place in his office without a fee, and assured him of future distinction in the profession of the law; but Patrick Henry was the more sagacious counselor; he advised Gallatin to go to the West, and predicted his success as a statesman. Modest as the beginning seemed in the country he had chosen, it was nevertheless a start in the right direction, as the future showed. It was in no sense a mistake.

Neither did the affairs of the wilderness wholly debar intercourse with the civilized world. Visiting Richmond every winter, he gradually extended the circle of his acquaintance, and increased his personal influence; he also occasionally passed a few weeks at Philadelphia. Two visits to Maine are recorded in his diary, but whether they were of pleasure merely does not appear. One was in 1788, in midwinter, by stage and sleigh. On this excursion he descended the Androscoggin and

crossed Merrymeeting Bay on the ice, returning by the same route in a snowstorm, which concealed the banks on either side of the river, so that he governed his course by the direction of the wind. With the intellect of a prime minister he had the constitution of a pioneer. On one of these occasions he intended to visit his old friends and hosts, the Lesderniers, but the difficulty of finding a conveyance, and the rumor that the old gentleman was away from home, interfered with his purpose. He remembered their kindness, and later attempted to obtain pensions for them from the United States government.

But the time now arrived when the current of his domestic life was permanently diverted, and set in other channels. In May, 1789, he married Sophie Allègre, the daughter of William Allègre of a French Protestant family living at Richmond. The father was dead, and the mother took lodgers, of whom Gallatin was one. For more than a year he had addressed her and secured her affections. Her mother now refused her consent, and no choice was left to the young lovers but to marry without it. Little is known of this short but touching episode in Mr. Gallatin's life. The young lady was warmly attached to him, and the letter written to her mother asking forgiveness for her marriage is charmingly expressed and full of feeling. They passed a few happy months at Friendship Hill, when suddenly she died. From this time Mr. Gallatin lost all heart in the western venture, and his most earnest wish was to turn his back forever upon Fayette County. In his suffering he would have returned to Geneva to Mademoiselle Pictet, could he have sold his Virginia lands. But this had become impossible at any price, and he had no other pecuniary resource but the generosity of his family.

Meanwhile the revolution had broken out in France. The rights of man had been proclaimed on the Champ de Mars. All Europe was uneasy and alarmed, and nowhere offered a propitious field for peaceful labor. But Gallatin did not long need other distraction than he was to find at home.

CHAPTER II

ToC

PENNSYLVANIA LEGISLATURE

Political revolutions are the opportunity of youth. In England, Pitt and Fox; in America, Hamilton and Gouverneur Morris; in Europe, Napoleon and Pozzo di Borgo, before they reached their thirtieth year, helped to shape the political destiny of nations. The early maturity of Gallatin was no less remarkable. In his voluminous correspondence there is no trace of youth. At nineteen his habits of thought were already formed, and his moral and intellectual tendencies were clearly marked in his character, and understood by himself. His tastes also were already developed. His life, thereafter, was in every sense a growth. The germs of every excellence, which came to full fruition in his subsequent career, may be traced in the preferences of his academic days. From youth to age he was consistent with himself. His mind was of that rare and original order which, reasoning out its own conclusions, seldom has cause to change.

His political opinions were early formed. A letter written by him in October, 1783, before he had completed his twenty-third year, shows the maturity of his intellect, and his analytic habit of thought. An extract gives the nature of the reasons which finally determined him to make his home in America:—

> “This is what by degrees greatly influenced my judgment. After my arrival in this country I was early convinced, upon a comparison of American governments with that of Geneva, that the latter is founded on false principles; that the judicial power, in civil as well as criminal cases, the executive power wholly, and two thirds of the legislative power being lodged in two bodies which are almost self-made, and the members of which are chosen for life,—it is hardly possible but that this formidable aristocracy should, sooner or later, destroy the equilibrium which it was supposed could be maintained at Geneva.”

The period from the peace of 1783 to the adoption of the federal Constitution in 1787 was one of political excitement. The utter failure of the old Confederation to serve the purposes of national defense and safety for which it was framed had been painfully felt during the war. Independence had been achieved under it rather than by it, the patriotic action of some of the States supplying the deficiencies of others less able or less willing. By the radical inefficiency of the Confederation the war had been protracted, its success repeatedly imperiled, and, at its close, the results gained by it were constantly menaced. The more perfect union which was the outcome of the deliberations of the federal convention was therefore joyfully accepted by the people at large. Indeed, it was popular pressure, and not the arguments of its advocates, that finally overcame the formidable opposition in and out of the convention to the Constitution. No written record remains of Mr. Gallatin's course during the sessions of the federal convention. He was not a member of the body, nor is his name connected with any public act having any bearing upon its deliberations. Of the direction of his influence, however, there can be no doubt. He had an abiding distrust of strong government,—a dread of the ambitions of men. Precisely what form he would have substituted for the legislative and executive system adopted nowhere appears in his writings, but certainly neither president nor senate would have been included. They bore too close a resemblance to king and lords to win his approval, no matter how restricted their powers. He would evidently have leaned to a single house, with a temporary executive directly appointed by itself; or, if elected by the people, then for a short term of office, without renewal; and he would

have reduced its legislative powers to the narrowest possible limit. The best government he held to be that which governs least; and many of the ablest of that incomparable body of men who welded this Union held these views. But the yearning of the people was in the other direction. They felt the need of government. They wanted the protection of a strong arm. It must not be forgotten that the thirteen colonies which declared their independence in 1776 were all seaboard communities, each with its port. They were all trading communities. The East, with its fisheries and timber; the Middle States, with their agricultural products and peltries; the South, with its tobacco; each saw, in that freedom from the restrictions of the English navigation laws which the treaty of peace secured, the promise of a boundless commerce. To protect commerce there must be a national power somewhere. Since the peace the government had gained neither the affection of its own citizens nor the respect of foreign powers.

The federal Constitution was adopted September 17, 1787. The first State to summon a convention of ratification was Pennsylvania. No one of the thirteen original States was more directly interested than herself. The centre of population lay somewhere in her limits, and there was reasonable ground for hope that Philadelphia would become once more the seat of government. The delegates met at Philadelphia on November 2. An opposition declared itself at the beginning of the proceedings. Regardless of the popular impatience, the majority allowed full scope to adverse argument, and it was not until December 12 that the final vote was taken and the Constitution ratified, without recommendations, by a majority of two to one. In this body Fayette County was represented by Nicholas Breading and John Smilie. The latter gentleman, of Scotch-Irish birth, an adroit debater, led the opposition. In the course of his criticisms he enunciated the doctrines which were soon to become a party cry; the danger of the Constitution “in inviting rather than guarding against the approaches of tyranny;” “its tendency to a consolidation, not a confederation, of the States.” Mr. Gallatin does not appear to have sought to be a delegate to this body, but his hand may be traced through the speeches of Smilie in the precision with which the principles of the opposition were formulated and declared; and his subsequent course plainly indicates that his influence was exerted in the interest of the dissatisfied minority. The ratification was received by the people with intense satisfaction, but the delay in debate lost the State the honor of precedence in the honorable vote of acquiescence,—the Delaware convention having taken the lead by a unanimous vote. For the moment the Pennsylvania Anti-Federalists clung to the hope that the Constitution might yet fail to receive the assent of the required number of States, but as one after another fell into line, this hope vanished.

One bold expedient remained. The ratification of some of the States was coupled with the recommendation of certain amendments. Massachusetts led the way in this, Virginia followed, and New York, which, in the language of the day, became the eleventh pillar of the federal edifice, on July 26, 1788, accompanied her ratification with a circular letter to the governors of all the States, recommending that a general convention be called.[1]

The argument taken in this letter was the only one which had any chance of commending itself to popular favor. It was in these words: “that the apprehension and discontents which the articles occasion cannot be removed or allayed unless an act to provide for the calling of a new convention be among the first that shall be passed by the next Congress.” This document, made public at once, encouraged the Pennsylvania Anti-Federalists to a last effort to bring about a new convention, to undo or radically alter the work of the old. A conference held at Harrisburg, on September 3, 1788, was participated in by thirty-three gentlemen, from various sections of the State, who assembled in response to the call of a circular letter which originated in the county of Cumberland in the month of August. The city of Philadelphia and thirteen counties were represented; six of the dissenting members of the late convention were present, among whom was Smilie. He and Gallatin represented the county of Fayette.

Smilie, Gallatin's earliest political friend, was born in 1742, and was therefore about twenty years his senior. He came to the United States in youth, and had grown up in the section he now represented. His popularity is shown by his service in the state legislature, and during twelve years in Congress as representative or as senator. In any estimate of Mr. Gallatin, this early influence must be taken into account. The friendship thus formed continued until Smilie's death in 1816. From the adviser he became the ardent supporter of Mr. Gallatin.

Blair McClanachan, of Philadelphia County, was elected chairman of the conference. The result of this deliberation was a report in the form of a series of resolutions, of which two drafts, both in Mr. Gallatin's handwriting, are among his papers now in the keeping of the New York Historical Society. The original resolutions were broad in scope, and suggested a plan of action of a dual nature; the one of which failing, resort could be had to the other without compromising the movement by delay. In a word, it proposed an opposition by a party organization. The first resolution was adroitly framed to avoid the censure with which the people at large, whose satisfaction with the new Constitution had grown with the fresh adhesions of State after State to positive enthusiasm, would surely condemn any attempt to dissolve the Union formed under its provisions. This resolution declared that it was in order to *prevent* a dissolution of the Union and to secure liberty, that a revision was necessary. The second expressed the opinion of the conference to be, that the safest manner to obtain such revision was to conform to the request of the State of New York, and to urge the calling of a new convention, and recommended that the Pennsylvania legislature be petitioned to apply for that purpose to the new Congress. These were declaratory. The third and fourth provided, first, for an organization of committees in the several counties to correspond with each other and with similar committees in other States; secondly, invited the friends to amendments in the several States to meet in conference at a fixed time and place. This plan of committees of correspondence and of a meeting of delegates was simply a

revival of the methods of the Sons of Liberty, from whose action sprung the first Continental Congress of 1774.

The formation of such an organization would surely have led to disturbance, perhaps to civil war. During the progress of the New York convention swords and bayonets had been drawn, and blood had been shed in the streets of Albany, where the Anti-Federalists excited popular rage by burning the new Constitution. But the thirty-three gentlemen who met at Harrisburg wisely tempered these resolutions to a moderate tone. Thus modified, they recommended, first, that the people of the State should acquiesce in the organization of the government, while holding in view the necessity of very considerable amendments and alterations essential to preserve the peace and harmony of the Union. Secondly, that a revision by general convention was necessary. Thirdly, that the legislature should be requested to apply to Congress for that purpose. The petition recommended twelve amendments, selected from those already proposed by other States. These were of course restrictive. The report was made public in the “Pennsylvania Packet” of September 15. With this the agitation appears to have ceased. On September 13 Congress notified the States by resolution to appoint electors under the provisions of the Constitution. The unanimous choice of Washington as president hushed all opposition, and for a time the Anti-Federalists sunk into insignificance.

The persistent labors of the friends of revision were not without result. The amendments proposed by Virginia and New York were laid before the House of Representatives. Seventeen received the two thirds vote of the House. After conference with the Senate, in which Mr. Madison appeared as manager for the House, these, reduced in number to twelve by elimination and compression, were adopted by the requisite two thirds vote, and transmitted to the legislatures of the States for approval. Ratified by a sufficient number of States, they became a part of the Constitution. They were general, and declaratory of personal rights, and in no instance restrictive of the power of the general government.

In 1789, the Assembly of Pennsylvania calling a convention to revise the Constitution of the State, Mr. Gallatin was sent as a delegate from Fayette County. To the purposes of this convention he was opposed, as a dangerous precedent. He had endeavored to organize an opposition to it in the western counties, by correspondence with his political friends. His objections were the dangers of alterations in government, and the absurdity of the idea that the Constitution ever contemplated a change by the will of a mere majority. Such a doctrine, once admitted, would enable not only the legislature, but a majority of the more popular house, were two established, to make another appeal to the people on the first occasion, and, instead of establishing on solid foundations a new government, would open the door to perpetual change, and destroy that stability which is essential to the welfare of a nation; since no constitution acquires the permanent affection of the people, save in proportion to its duration and age. Finally, such changes would sooner or later conclude in an appeal to arms,—the true meaning of the popular and dangerous words, “an appeal to the people.” The opposition was begun too late, however, to admit of combined effort, and was not persisted in; and Mr. Gallatin himself, with practical good sense, consented to serve as a delegate. Throughout his political course the pride of mastery never controlled his actions. When debarred from leadership he did not sulk in his tent, but threw his weight in the direction of his principles. The convention met at Philadelphia on November 24, 1789, and closed its labors on September 2, 1790. This was Gallatin's apprenticeship in the public service. Among his papers are a number of memoranda, some of them indicating much elaboration of speeches made, or intended to be made, in this body. One is an argument in favor of enlarging the representation in the House; another is against a plan of choosing senators by electors; another concerns the liberty of the press. There is, further, a memorandum of his motion in regard to the right of suffrage, by virtue of which “every freeman who has attained the age of twenty-one years, and been a resident and inhabitant during one year next before the day of election, every naturalized freeholder, every naturalized citizen who had been assessed for state or county taxes for two years before election day, or who had resided ten years successively in the State, should be entitled to the suffrage, paupers and vagabonds only being excluded.” Certainly, in his conservative limitations upon suffrage, he did not consult his own interest as a large landholder inviting settlement, nor pander to the natural desires of his constituency.

In an account of this convention, written at a later period, Mr. Gallatin said that it was the first public body to which he was elected, and that he took but a subordinate share in the debates; that it was one of the ablest bodies of which he was ever a member, and with which he was acquainted, and, excepting Madison and Marshall, that it embraced as much talent and knowledge as any Congress from 1795 to 1812, beyond which his personal knowledge did not extend. Among its members were Thomas McKean, signer of the Declaration of Independence and president of the Continental Congress, Thomas Mifflin and Timothy Pickering, of the Revolutionary army, and Smilie and Findley, Gallatin's political friends. General Mifflin was its president.

But mental distraction brought Mr. Gallatin no peace of heart at this period, and when the excitement of the winter was over he fell into a state of almost morbid melancholy. To his friend Badollet he wrote from Philadelphia, early in March, that life in Fayette County had no more charms for him, and that he would gladly leave America. But his lands were unsalable at any price, and he saw no means of support at Geneva. Some one has said, with a profound knowledge of human nature, that no man is sure of happiness who has not the capacity for continuous labor of a disagreeable kind. The occasional glimpses into Mr. Gallatin's inner nature, which his correspondence affords, show that up to this period he was not supposed by his friends or by himself to have this capacity. In the letter which his guardian wrote to him after his flight from home, he was reproached with his “natural indolence.” His good friend, Mademoiselle Pictet,

accused him of being hard to please, and disposed to *ennui*; and again, as late as 1787, repeats to him, in a tone of sorrow, the reports brought to her of his "continuance in his old habit of indolence," his indifference to society, his neglect of his dress, and general indifference to everything but study and reading, tastes which, she added, he might as well have cultivated at Geneva as in the new world; and he himself, in the letter to Badollet just mentioned, considers that his habits and his laziness would prove insuperable bars to his success in any profession in Europe. In estimation of this self-condemnation, it must be borne in mind that the Genevans were intellectual Spartans. Gallatin must be measured by that high standard. But if the charge of indolence could have ever justly lain against Gallatin,—a charge which his intellectual vigor at twenty-seven seems to challenge,—it certainly could never have been sustained after he fairly entered on his political and public career. In October, 1790, he was elected by a two thirds majority to represent Fayette County in the legislature of the State of Pennsylvania; James Findley was his colleague, John Smilie being advanced to the state Senate. Mr. Gallatin was reëlected to the Assembly in 1791 and 1792, without opposition.

Among his papers there is a memorandum of his legislative service during these three years, and a manuscript volume of extracts from the Journals of the House, from January 14, 1791, to December 17, 1794. They form part of the extensive mass of documents and letters which were collected and partially arranged by himself, with a view to posthumous publication. Here is an extract from the memorandum:—

> "I acquired an extraordinary influence in that body [the Pennsylvania House of Representatives]; the more remarkable as I was always in a party minority. I was indebted for it to my great industry and to the facility with which I could understand and carry on the current business. The laboring oar was left almost exclusively to me. In the session of 1791-1792, I was put on thirty-five committees, prepared all their reports, and drew all their bills. Absorbed by those details, my attention was turned exclusively to administrative laws, and not to legislation properly so called.... I failed, though the bill I had introduced passed the House, in my efforts to lay the foundation for a better system of education. Primary education was almost universal in Pennsylvania, but very bad, and the bulk of schoolmasters incompetent, miserably paid, and held in no consideration. It appeared to me that in order to create a sufficient number of competent teachers, and to raise the standard of general education, intermediate academical education was an indispensable preliminary step, and the object of the bill was to establish in each county an academy, allowing to each out of the treasury a sum equal to that raised by taxation in the county for its support. But there was at that time in Pennsylvania a Quaker and a German opposition to every plan of general education.
>
> "The spirit of internal improvements had not yet been awakened. Still, the first turnpike-road in the United States was that from Philadelphia to Lancaster, which met with considerable opposition. This, as well as every temporary improvement in our communications (roads and rivers) and preliminary surveys, met, of course, with my warm support. But it was in the fiscal department that I was particularly employed, and the circumstances of the times favored the restoration of the finances of the State.
>
> "The report of the Committee of Ways and Means of the session 1790-91 was entirely prepared by me, known to be so, and laid the foundation of my reputation. I was quite astonished at the general encomiums bestowed upon it, and was not at all aware that I had done so well. It was perspicuous and comprehensive; but I am confident that its true merit, and that which gained me the general confidence, was its being founded in strict justice, without the slightest regard to party feelings or popular prejudices. The principles assumed, and which were carried into effect, were the immediate reimbursement and extinction of the state paper-money, the immediate payment in specie of all the current expenses, or warrants on the treasury (the postponement and uncertainty of which had given rise to shameful and corrupt speculations), and provision for discharging without defalcation every debt and engagement previously recognized by the State. In conformity with this, the State paid to its creditors the difference between the nominal amount of the state debt assumed by the United States and the rate at which it was funded by the act of Congress.
>
> "The proceeds of the public lands, together with the arrears, were the fund which not only discharged all the public debts, but left a large surplus. The apprehension that this would be squandered by the legislature was the principal inducement for chartering the Bank of Pennsylvania, with a capital of two millions of dollars, of which the State subscribed one half. This, and similar subsequent investments, enabled Pennsylvania to defray, out of the dividends, all the expenses of government without any direct tax during the forty ensuing years, and till the adoption of the system of internal improvement, which required new resources.
>
> "It was my constant assiduity to business, and the assistance derived from it by many members, which enabled the Republican party in the legislature, then a minority on a joint ballot, to elect me, and no other but me of that party, senator of the United States."

Among the reports enumerated by Mr. Gallatin, as those of which he was the author, is one made

by a committee on March 22, 1793, that they ... are of opinion slavery is inconsistent with every principle of humanity, justice, and right, and repugnant to the spirit and express letter of the Constitution of the Commonwealth. Added to this was a resolution for its abolition in the Commonwealth.

The seat of government was changed from New York to Philadelphia in 1790, and the first Congress assembled there in the early days of December for its final session. Philadelphia was in glee over the transfer of the departments. The convention which framed the new state Constitution met here in the fall, and the legislature was also holding its sessions. The atmosphere was political. The national and local representatives met each other at all times and in all places, and the public affairs were the chief topic in and out of doors. In this busy whirl Gallatin made many friends, but Philadelphia was no more to his taste as a residence than Boston. He was disgusted with the ostentatious display of wealth, the result not of industry but of speculation, and not in the hands of the most deserving members of the community. Later he became more reconciled to the tone of Pennsylvania society, comparing it with that of New York; he was especially pleased with its democratic spirit, and the absence of *family influence*. “In Pennsylvania,” he says, “not only we have neither Livingstons, nor Rensselaers, but from the suburbs of Philadelphia to the banks of the Ohio I do not know a single family that has any extensive influence. An equal distribution of property has rendered every individual independent, and there is amongst us true and real equality. In a word, as I am lazy, I like a country where living is cheap; and as I am poor, I like a country where no person is very rich.”

Hamilton's excise bill was a bone of contention in the national and state legislatures throughout the winter. Direct taxation upon anything was unpopular, that on distilled spirits the most distasteful to Pennsylvania, where whiskey stills were numerous in the Alleghanies. To the bill introduced into Congress a reply was immediately made January 14, 1791, by the Pennsylvania Assembly in a series of resolutions which are supposed to have been drafted by Mr. Gallatin, and to have been the first legislative paper from his pen. They distinctly charged that the obnoxious bill was “subversive of the peace, liberty, and rights of the citizen.”

Tax by excise has always been offensive to the American people, as it was to their ancestors across the sea. It was characterized by the first Continental Congress of 1774 as “the horror of all free States.” Notwithstanding their warmth, these resolutions passed the Assembly by a vote of 40 to 16. The course of this excitement must be followed; as it swept Mr. Gallatin in its mad current, and but for his self-control, courage, and adroitness would have wrecked him on the breakers at the outset of his political voyage. The excise law passed Congress on March 3, 1791. On June 22 the state legislature, by a vote of 36 to 11, requested their senators and representatives in Congress to oppose every part of the bill which “shall militate against the rights and liberties of the people.”

The western counties of Pennsylvania—Westmoreland, Fayette, Washington, and Allegheny—lie around the head-waters of the Ohio in a radius of more than a hundred miles. At this time they contained a population of about seventy thousand souls. Pittsburgh, the seat of justice, had about twelve hundred inhabitants. The Alleghany Mountains separate this wild region from the eastern section of the State. There were few roads of any kind, and these lay through woods. The mountain passes could be traveled only on foot or horseback. The only trade with the East was by pack-horses, while communication with the South was cut off by hostile Indian tribes who held the banks of the Ohio. This isolation from the older, denser, and more civilized settlements bred in the people a spirit of self-reliance and independence. They were in great part Scotch-Irish Presbyterians, a religious and warlike race to whom the hatred of an exciseman was a tradition of their forefathers. Having no market for their grain, they were compelled to preserve it by converting it into whiskey. The still was the necessary appendage of every farm. The tax was light, but payable in money, of which there was little or none. Its imposition, therefore, coupled with the declaration of its oppressive nature by the Pennsylvania legislature, excited a spirit of determined opposition near akin to revolution.

Unpopular in all the western part of the State, Hamilton's bill was especially odious to the people of Washington County. The first meeting in opposition to it was held at Red Stone Old Fort or Brownsville, the site of one of those ancient remains of the mound-builders which abound in the western valleys. It was easily reached by Braddock's Road, the chief highway of the country. Here gathered on July 27, 1791, a number of persons opposed to the law, when it was agreed that county committees should be convened in the four counties at the respective seats of justice. Brackenridge, in his “Incidents of the Western Insurrection,” says that Albert Gallatin was clerk of the meeting. One of these committees met in the town of Washington on August 23, when violent resolutions were adopted. Gallatin, engaged at Philadelphia, was not present at this assemblage, three of whose members were deputed to meet delegates from the counties of Westmoreland, Fayette, and Allegheny, at Pittsburgh, on the first Tuesday in September following, to agree upon an address to the legislature on the subject of excise and other grievances. At the Pittsburgh meeting eleven delegates appeared for the four counties. The resolutions adopted by them, general in character, read more like a declaration of grievances as a basis for revolution than a petition for special redress. No wonder that the secretary of the treasury stigmatized them as “intemperate.” They charge that in the laws of the late Congress hasty strides had been made to all that was unjust and oppressive. They complain of the increase in the salaries of officials, of the unreasonable interest of the national debt, of the non-discrimination between original holders and transferees of the public securities, of the National Bank as a base offspring of the funding system; finally, in detail, of the excise law of March 3, 1791. At this meeting James Marshall and David Bradford represented Washington County.

In August government offices of inspection were opened. The spirit of resistance was now fully aroused, and in the early days of September the collectors for Washington, Westmoreland, and Fayette were treated with violence. Unwilling to proceed to excessive measures, and no doubt swayed by the attitude of the Pennsylvania legislature, Congress in October referred the law back to Hamilton for revision. He reported an amended act on March 6, 1792, which was immediately passed, and became a law March 8. It was to take effect on the last day of June succeeding. By it the rate of duty was reduced, a privilege of time as to the running of licenses of stills granted, and the tax ordered only for such time as they were actually used.

But these modifications did not satisfy the malcontents of the four western counties, and they met again on August 21, 1792, at Pittsburgh. Of this second Pittsburgh meeting Albert Gallatin was chosen secretary. Badollet went up with Gallatin. John Smilie, James Marshall, and James Bradford of Washington County were present. Bradford, Marshall, Gallatin, and others were appointed to draw up a remonstrance to Congress. In order to carry out with regularity and concert the measures agreed upon, a committee of correspondence was appointed, and the meeting closed with the adoption of the violent resolutions passed at the Washington meeting of 1791:—

> “Whereas, some men may be found among us so far lost to every sense of virtue and feeling for the distresses of this country as to accept offices for the collection of the duty.
>
> “Resolved, therefore, that in future we will consider such persons as unworthy of our friendship; have no intercourse or dealings with them; withdraw from them every assistance, and withhold all the comforts of life which depend upon those duties that as men and fellow citizens we owe to each other; and upon all occasions treat them with that contempt they deserve; and that it be, and it is hereby, most earnestly recommended to the people at large, to follow the same line of conduct towards them.”

If such an excommunication were to be meted out to an offending neighbor, what measure would the excise man receive if he came from abroad on his unwelcome errand?

These resolutions were signed by Mr. Gallatin as clerk, and made public through the press. Resolutions of this character, if not criminal, reach the utmost limit of indiscretion, and political indiscretion is quite as dangerous as crime. The petition to Congress, subscribed by the inhabitants of western Pennsylvania, was drawn by Gallatin; while explicit in terms, it was moderate in tone. It represented the unequal operation of the act. “A duty laid on the common drink of a nation, instead of taxing the citizens in proportion to their property, falls as heavy on the poorest class as on the rich;” and it ingeniously pointed out that the distance of the inhabitants of the western counties from market prevented their bringing the produce of their lands to sale, either in grain or meal. “We are therefore distillers through necessity, not choice; that we may comprehend the greatest value in the smallest size and weight.”

Hamilton, indignant, reported the proceedings to the President on September 9, 1792, and demanded instant punishment. Washington, who was at Mount Vernon, was unwilling to go to extremes, but consented to issue a proclamation, which, drafted by Hamilton, and countersigned by Jefferson, was published September 15, 1792. It earnestly admonished all persons to desist from unlawful combinations to obstruct the operations of the laws, and charged all courts, magistrates, and officers with their enforcement. There was no mistaking Hamilton's intention to enforce the law. Prosecutions in the Circuit Court, held at Yorktown in October, were ordered against the Pittsburgh offenders, but no proof could be had to sustain an indictment.

The President's proclamation startled the western people, and some uneasiness was felt as to how such of their representatives as had taken part in the Pittsburgh meeting would be received when they should go up to the legislature in the winter. Bradford and Smilie accompanied Gallatin; Smilie to take his seat in the state Senate, and Bradford to represent Washington County in the House, where he “cut a poor figure.” Gallatin despised him, and characterized him as a “tenth-rate lawyer and an empty drum.” Gallatin found, however, that although the Pittsburgh meeting had hurt the general interest of his party throughout the State, and “rather defeated” the repeal of the excise law, his eastern friends did not turn the cold shoulder to him. He said to every one whom he knew that the resolutions were perhaps too violent and undoubtedly highly impolitic, but, in his opinion, contained nothing illegal. Meanwhile federal officers proceeded to enforce the law in Washington County. A riot ensued, and the office was forcibly closed. Bills were found against two of the offenders in the federal court, and warrants to arrest and bring them to Philadelphia for trial were issued. Gallatin believed the men innocent, and did not hesitate to advise Badollet to keep them out of the way when the marshal should go to serve the writs, but deprecated any insult to the officer. He thought “the precedent a very dangerous one to drag people such a distance in order to be tried on governmental prosecutions.” Here the matter rested for a season.

At this session of the legislature Gallatin introduced a new system of county taxation, proposed a clause providing for “trustees yearly elected, one to each township, without whose consent no tax is to be raised, nor any above one per cent. on the value of lands,” which he hoped would “tend to crush the aristocracy of every town in the State.” Also he proposed a plan to establish a school and library in each county, with a sufficient immediate sum in money, and a yearly allowance for a teacher in the English language.

FOOTNOTES:

[1] The drafting of this letter was, notwithstanding his protest, intrusted to John Jay, one of the strongest of the Federal leaders, and a warm supporter of the Constitution as it stood.

CHAPTER III

ToC

UNITED STATES SENATE

The death of the grandfather of Mr. Gallatin, and soon after of his aunt, strongly tempted him to make a journey to Geneva in the summer of 1793. The political condition of Europe at that time was of thrilling interest. On January 21 the head of Louis XVI. fell under the guillotine, to which Marie Antoinette soon followed him. The armies of the coalition were closing in upon France. Of the political necessity for these state executions there has always been and will always be different judgments. That of Mr. Gallatin is of peculiar value. It is found expressed in intimate frankness in a letter to his friend Badollet, written at Philadelphia, February 1, 1794.

> "France at present offers a spectacle unheard of at any other period. Enthusiasm there produces an energy equally terrible and sublime. All those virtues which depend upon social or family affections, all those amiable weaknesses, which our natural feelings teach us to love or respect, have disappeared before the stronger, the only, at present, powerful passion, the *Amor Patriæ*. I must confess my soul is not enough steeled, not sometimes to shrink at the dreadful executions which have restored at least apparent internal tranquillity to that republic. Yet upon the whole, as long as the combined despots press upon every frontier, and employ every engine to destroy and distress the interior parts, I think they, and they alone, are answerable for every act of severity or injustice, for every excess, nay for every crime, which either of the contending parties in France may have committed."

Within a few years the publication of the correspondence of De Fersen, the agent of the king and queen, has supplied the proof of the charge that they were in secret correspondence with the allied sovereigns to introduce foreign troops upon the soil of France,—a crime which no people has ever condoned.

The French Revolution, which from its beginning in 1789 reacted upon the United States with fully the force that the American Revolution exerted upon France, had become an important factor in American politics. The intemperance of Genet, the minister of the French Convention to the United States on the one hand, and the breaches of neutrality by England on the other, were dividing the American people into English and French parties. The Federalists sympathized with the English, the late enemies, and the Republicans with the French, the late allies, of the United States.

Mr. Gallatin had about made up his mind to visit Europe, when an unexpected political honor changed his plans. The Pennsylvania legislature elected him a senator of the United States on joint ballot, a distinction the more singular in that the legislature was Federalist and Mr. Gallatin was a representative of a Republican district, and strong in that faith. Moreover, he was not a candidate either of his own motion or by that of his friends, but, on the contrary, had doubts as to his eligibility because of insufficient residence. This objection, which he himself stated in caucus, was disregarded, and on February 28, 1793, by a vote of 45 to 37, he was chosen senator. Mr. Gallatin had just completed his thirty-second year, and now a happy marriage came opportunely to stimulate his ambition and smooth his path to other honors.

Among the friends made at Philadelphia was Alexander J. Dallas, a gentleman two years Gallatin's senior, whose career, in some respects, resembled his own. He was born in Jamaica, of Scotch parents; had been thoroughly educated at Edinburgh and Westminster, and, coming to the United States in 1783, had settled in Philadelphia. He now held the post of secretary of state for Pennsylvania. Mr. Gallatin's constant committee service brought him into close relations with the secretary, and the foundation was laid of a lasting political friendship and social intimacy. In the recess of the legislature, Mr. Gallatin joined Mr. Dallas and his wife in an excursion to the northward. Mr. Gallatin's health had suffered from close confinement and too strict attention to business, and he needed recreation and diversion. In the course of the journey the party was joined by some ladies, friends of Mrs. Dallas, among whom was Miss Hannah Nicholson. The excursion lasted nearly four weeks. The result was that Mr. Gallatin returned to Philadelphia the accepted suitor of this young lady. He describes her in a letter to Badollet as "a girl about twenty-five years old, who is neither handsome nor rich, but sensible, well-informed, good-natured, and belonging to a respectable and very amiable family." Nor was he mistaken in his choice,—a more charming nature, a more perfect, well-rounded character than hers is rarely found. They were married on November 11, 1793. She was his faithful companion throughout his long and honorable career, and death separated them but by a few months. This alliance greatly widened his political connection.

Commodore James Nicholson, his wife's father, famous in the naval annals of the United States as the captain of the Trumbull, the first of American frigates, at the time resided in New York, and was one of the acknowledged leaders of the Republican party in the city. His two brothers—Samuel and John—were captains in the naval service. His two elder daughters were married to influential gentlemen;—Catharine to Colonel Few, senator from Georgia; Frances, to Joshua

Seney, member of Congress from Maryland; Maria later (1809) married John Montgomery, who had been member of Congress from Maryland, and was afterwards mayor of Baltimore. A son, James Witter Nicholson, then a youth of twenty-one, was, in 1795, associated with Mr. Gallatin in his Western Company, and, removing to Fayette, made his home in what was later and is now known as New Geneva. Here, in connection with Mr. Gallatin and the brothers Kramer, Germans, he established extensive glass works, which proved profitable.

Mr. Gallatin's election to the United States Senate did not disqualify him for his unfinished legislative term, and, on his return to Philadelphia, he was again plunged in his manifold duties. The few days which intervened between his marriage and the meeting of Congress—a short honeymoon—were spent under the roof of Commodore Nicholson in New York.

On February 28, 1793, the Vice-President laid before the Senate a certificate from the legislature of the Commonwealth of Pennsylvania to the election of Albert Gallatin as senator of the United States. Mr. Gallatin took his seat December 2, 1793. The business of the session was opened by the presentation of a petition signed by nineteen individuals of Yorktown, Pennsylvania, stating that Mr. Gallatin had not been nine years a citizen of the United States. This petition had been handed to Robert Morris, Mr. Gallatin's colleague for Pennsylvania, by a member of the legislature for the county of York, but he had declined to present it, and declared to Mr. Gallatin his intention to be perfectly neutral on the occasion—at least so Mr. Gallatin wrote to his wife the next day; but Morris did not hold fast to this resolution, as the votes in the sequel show. The petition was ordered to lie upon the table. On December 11 Messrs. Rutherford, Cabot, Ellsworth, Livermore, and Mitchell were appointed a committee to consider the petition. These gentlemen, Gallatin wrote, were undoubtedly “the worst for him that could have been chosen, and did not seem to him to be favorably disposed.” He himself considered the legal point involved as a nice and difficult one, and likely to be decided by a party vote. The fourth article of the Constitution of the first Confederation of the United States reads as follows:—

> “The better to secure and perpetuate mutual friendship and intercourse among the people of the different States in this Union, the free inhabitants of each of these States, paupers, vagabonds, and fugitives from justice excepted, shall be entitled to all privileges and immunities of free citizens in the several States.”

Article 1, section 3, of the new Constitution declares:—

> “No person shall be a senator who shall not have attained to the age of thirty years, and been nine years a citizen of the United States, and who shall not, when elected, be an inhabitant of that State for which he shall be chosen.”

Mr. Gallatin landed in Massachusetts in July, 1780, while still a minor. His residence, therefore, which had been uninterrupted, extended over thirteen years. He took the oath of citizenship and allegiance to Virginia in October, 1785, since which, until his election in 1793, nine years, the period called for by the United States Constitution, had not elapsed. On the one hand, his actual residence exceeded the required period of citizenship; on the other, his legal and technical residence as a citizen was insufficient. In point of fact, his intention to become a citizen dated from the summer of 1783.

To take from the case the air of party proscription, which it was beginning to assume, the Senate discharged its special committee, and raised a general committee on elections to consider this and other cases. On February 10, 1794, the report of this committee was submitted, and a day was set for a hearing by the Senate, with open doors. On that day Mr. Gallatin exhibited a written statement of facts, agreed to between himself and the petitioners, and the case was left to the Senate on its merits. On the 28th a test vote was taken upon a motion to the effect that “Albert Gallatin, returned to this House as a member for the State of Pennsylvania, is duly qualified for and elected to a seat in the Senate of the United States,” and it was decided in the negative—yeas, 12; nays, 14.[2]

Motion being made that the election of Albert Gallatin to be a senator of the United States was void,—he not having been a citizen of the United States for the term of years required as a qualification to be a senator of the United States,—it was further moved to divide the question at the word “void;” and the question being then taken on the first paragraph, it passed in the affirmative—yeas, 14; nays, 12. The yeas and nays were required, and the Senate divided as before. The resolution was then put and adopted by the same vote. Thus Mr. Gallatin, thirteen years a resident of the country, a large land-holder in Virginia, and for several terms a member of the Pennsylvania legislature, was excluded from a seat in the Senate of the United States.

Mr. Gallatin conducted his case with great dignity. On being asked whether he had any testimony to produce, he replied, in writing, that there was not sufficient matter charged in the petition and proved by the testimony to vacate his seat, and declined to go to the expense of collecting evidence until that preliminary question was settled.

Short as the period was during which Mr. Gallatin held his seat, it was long enough for him seriously to annoy the Federal leaders. Indeed, it is questionable whether, if he had delayed his embarrassing motion, a majority of the Senate could have been secured against him. Certain it is that the Committee on Elections, appointed on December 11, did not send in its report until the day after Mr. Gallatin moved his resolution, calling upon the secretary of the treasury for an

elaborate statement of the debt on January 1, 1794, under distinct heads, including the balances to creditor States, a statement of loans, domestic and foreign, contracted from the beginning of the government, statements of exports and imports; finally for a summary statement of the receipts and expenditures to the last day of December, 1790, *distinguishing the moneys received under each branch of the revenue and the moneys expended under each of the appropriations, and stating the balances of each branch of the revenue remaining unexpended on that day*, and also calling for similar and separate statements for the years 1791, 1792, 1793. This resolution, introduced on January 8, was laid over. On the 20th it was adopted. It was not until February 10 that a reply from the secretary of the treasury was received by the Senate, and on the 11th submitted to Gallatin, Ellsworth, and Taylor for consideration and report. In this letter (February 6, 1794) Hamilton stated the difficulty of supplying the precise information called for, with the clerical forces of the department, the interruption it would cause in the daily routine of the service, and deprecated the practice of such unexpected demands.

With this response of the secretary the inquiry fell to the ground, but it was neither forgotten nor forgiven by his adherents, and Mr. Gallatin paid the penalty on at least one occasion. This was years later, when he himself was secretary of the treasury. On March 2, 1803, the day before the adjournment of Congress, Mr. Griswold, Federalist from Connecticut, attacked the correctness of the accounts of the sinking fund, and demanded an answer to a resolution of the House on the management of this bureau. Had such been his desire, Mr. Gallatin was foreclosed from Hamilton's excuse. On the night of the 3d he sent in an elaborate statement which set accusation at rest and criticism at defiance.

Mr. Gallatin's short stay in the Senate revealed to the Federalists the character of the man, who, disdaining the lesser flight, checked only at the highest game. He accepted his exclusion with perfect philosophy. Soon after the session opened he said, “My feelings cannot be much hurt by an unfavorable decision, since having been elected is an equal proof of the confidence the legislature of Pennsylvania reposed in me, and not being qualified, if it is so decided, cannot be imputed to me as a fault.” His exclusion was by no means a disadvantage to him. It made common cause of the honor of Pennsylvania and his own; it endeared him to the Republicans of his State as a martyr to their principles. It “secured him,” to use his own words, “many staunch” friends throughout the Union, and extended his reputation, hitherto local and confined, over the entire land; more than all, it led him to the true field of political contest—the House of Representatives of the people of the United States.

FOOTNOTES:

[2] The yeas and nays being required by one fifth of the senators present, there were: *Affirmative*.—Bradley, Brown, Burr, Butler, Edwards, Gunn, Jackson, Langdon, Martin, Monroe, Robinson, Taylor; 12.

Negative.—Bradford, Cabot, Ellsworth, Foster, Frelinghuysen, Hawkins, Izard, King, Livermore, Mitchell, Morris, Potts, Strong, Vining; 14.

CHAPTER IV

ToC

THE WHISKEY INSURRECTION

Mr. Gallatin was now out of public life. For eighteen months since he came up to the legislature with his friends of the Pittsburgh convention, he had not returned to Fayette. His private concerns were suffering in his absence. Neither his barn, his meadow, nor his house was finished at the close of 1793. In May, 1794, he took his wife to his country home. Their hopes of a summer of recreation and domestic comfort in the wild beauties of the Monongahela were not to be realized. Before the end of June the peaceful country was in a state of mad agitation.

The seeds of political discontent, sown at Pittsburgh in 1792, had ripened to an abundant harvest. An act passed by Congress June 5, 1794, giving to the state courts concurrent jurisdiction in excise cases, removed the grievance of which Gallatin complained, the dragging of accused persons to Philadelphia for trial, but was not construed to be retroactive in its operation. The marshal, accordingly, found it to be his duty to serve the writs of May 31 against those who had fallen under their penalties. These writs were returnable in Philadelphia. They were served without trouble in Fayette County. Not so in Allegheny. Here on July 15, 1794, the marshal had completed his service, when, while still in the execution of his office, and in company with the inspector, he was followed and fired upon. The next day a body of men went to the house of the marshal and demanded that he should deliver up his commission. They were fired upon and dispersed, six were wounded, and the leader killed. A general rising followed. The marshal's house, though defended by Major Kirkpatrick, with a squad from the Pittsburgh garrison, was set on fire, with the adjacent buildings, and burned. On July 18 the insurgents sent a deputation of two or three to Pittsburgh, to require of the marshal a surrender of the processes in his possession, and of the inspector the resignation of his office. These demands were, of course, rejected; but the officers, alarmed for their personal safety, left the town, and, descending the Ohio by boat to Marietta, proceeded by a circuitous route to Philadelphia, and made their report to the United States authorities.

This was the outbreak of the Western or Whiskey Insurrection. The excitement spread rapidly through the western counties. Fayette County was not exempt from it. The collector's house was broken into, and his commission taken from him by armed men; the sheriff refused to serve the writs against the rioters of the spring. Since these disturbances there had been no trouble in this county. But the malcontents elsewhere rose in arms, riots ensued, and the safety of the whole community was compromised. The news reaching Fayette, the distillers held a meeting at Uniontown, the county seat, on July 20. Both Gallatin and Smilie were present, and by their advice it was agreed to submit to the laws. The neighboring counties were less fortunate. On July 21 the Washington County committee was summoned to meet at Mingo Creek Meeting-house. On the 23d there was a large assemblage of people, including a number of those who had been concerned in burning the house of the Pittsburgh inspector. James Marshall, the same who opposed the ratification of the federal Constitution, David Bradford, the “empty drum,” and Judge Brackenridge of Pittsburgh, attended this meeting. Bradford, the most unscrupulous of the leaders, sought to shirk his responsibility, but was intimidated by threats, and thereafter did not dare to turn back. Brackenridge was present to counsel the insurgents to moderation. In spite of his efforts the meeting ended in an invitation, which the officers had not the boldness to sign, to the townships of the four western counties of Pennsylvania and the adjoining counties of Virginia to send representatives to a general meeting on August 14, at Parkinson's Ferry on the Monongahela, in Washington County. Bradford, determined to aggravate the disturbance, stopped the mail at Greensburg, on the road between Pittsburgh and Philadelphia, and robbed it of the Washington and Pittsburgh letters, some of which he published, to the alarm of their authors.

On July 28 a circular signed by Bradford, Marshall, and others was sent out from Cannonsburg to the militia of the county, whom it summoned for personal service, and likewise called for volunteers to rendezvous the following Wednesday, July 30, at their respective places of meeting, thence to march to Braddock's Field, on the Monongahela, the usual rendezvous of the militia, about eight miles south of Pittsburgh, by two o'clock of Friday, August 1. It closed in these words, “Here is an expedition proposed in which you will have an opportunity for displaying your military talents and of rendering service to your country.” Nothing less was contemplated by the more extreme of these men than an attack upon Fort Pitt and the sack of Pittsburgh. Thoroughly aroused at last, the moderate men of Washington determined to breast the storm. A meeting was held; James Ross of the United States Senate made an earnest appeal, and was supported by Scott of the House of Representatives and Stokely of the Senate of Pennsylvania. Marshall and Bradford yielded, and consented to countermand the order of rendezvous. But the excited population poured into the town from all quarters, and Bradford, who found that he had gone too far to retreat, again took the lead of the movement, already beyond restraint.

There are accounts of this formidable insurrection by H. H. Brackenridge and William Findley, eye-witnesses. These supply abundant details. Findley says that he knew that the movement would not stop at the limit apparently set for it. “The opposing one law would lead to oppose another; they would finally oppose all, and demand a new modeling of the Constitution, and there would be a revolution.” There was great alarm in Pittsburgh. A meeting was held there Thursday evening, July 31, at which a message from the Washington County insurgents was read, violent resolutions adopted, and the 9th of August appointed as the day for a town meeting for election of delegates to a general convention of the counties at Parkinson's Ferry; Judge Brackenridge of Pittsburgh, a man of education, influence, and infinite jest and humor, was present at this meeting. Of Scotch-Irish birth himself, his sympathies of race were with his countrymen, but in political sentiments he was not in harmony with their leaders. They were nearly all Republicans, while he had sided with the Federalists in the convention which adopted the new Constitution of the United States. He was a man of peace, and of too much sagacity not to foresee the inevitable ruin upon which they were rushing. At Mingo Creek he had thwarted the plans of immediate revolution. The evident policy of moderate men was to prevent any violence before the convention at Parkinson's Ferry should meet, and to bend all their energies to control the deliberations of that body. The people of Pittsburgh were intensely excited by the armed gathering almost at their doors.

Brackenridge felt that the only safe issue from the situation was to take part in and shape the action of that gathering. Under his lead a committee from the Pittsburgh meeting, followed by a large body of the citizens, went out to the rendezvous. Here they found a motley assemblage, arrayed in the picturesque campaign costume which the mountaineers wore when they equipped themselves to meet the Indians,—yellow hunting-shirts, handkerchiefs tied about their heads, and rifles on the shoulder; the militia were on foot, and the light horse of the counties were in military dress. Conspicuous about the field, “haughty and pompous,” as Gallatin described him in the legislature, was David Bradford, who had assumed the office of major-general. Brackenridge draws a lifelike picture of him as, mounted on a superb horse in splendid trappings, arrayed in full uniform, with plume floating in the air and sword drawn, he rode over the ground, gave orders to the military, and harangued the multitude. On the historic ground where Washington plucked his first military laurels were gathered about seven thousand men, of whom two thousand militia were armed and accoutred as for a campaign,—a formidable and remarkable assemblage, when it is considered that the entire male population of sixteen years of age and upwards of the four counties did not exceed sixteen thousand, and was scattered over a wide and unsettled country. This is Brackenridge's estimate of the numbers. Later, Gallatin, on comparison of the best attainable information, estimated the whole body at from fifteen hundred to two thousand men. Whatever violence Bradford may have intended, none was accomplished. That he read aloud the Pittsburgh letters, taken from the mail, shows his purpose to inflame the people to vindictive violence. He was accused by contemporary authorities of imitation of the methods of the French Jacobins, which were fresh examples of revolutionary vigor. But the mass was not persuaded. After desultory conversation and discussion, the angry turn of which was at times threatening to

the moderate leaders, the meeting broke up on August 2; about one third dispersed for their homes, and the remainder, marching to Pittsburgh, paraded through the streets, and finally crossing the river in their turn scattered. They did no damage to the town beyond the burning of a farm belonging to Major Kirkpatrick of the garrison. The taverns were all closed, but the citizens brought whiskey to their doors. Judge Brackenridge reports that his sacrifice to peace on this occasion cost him four barrels of his best old rye.

This moderation was no augury of permanent quiet. Brackenridge, who was a keen observer of men, says of the temper of the western population at this period: “I had seen the spirit which prevailed at the Stamp Act, and at the commencement of the revolution from the government of Great Britain, but it was by no means so general and so vigorous amongst the common people as the spirit which now existed in the country.” Nor did the armed bands all return peaceably to their homes. The house of the collector for Fayette and Washington counties was burned, and warnings were given to those who were disposed to submit to the law. The disaffected were called “Tom the tinker” men, from the signature affixed to the threatening notices. From a passage in one of Gallatin's letters it appears that there was a person of that name, a New England man, who had been concerned in Shays's insurrection. Liberty poles, with the device, “An equal tax and no excise law,” were raised, and the trees placarded with the old revolutionary motto, “United we stand, divided we fall,” with a divided snake as an emblem. Mr. Gallatin's neighborhood was not represented at Braddock's Field, and not more than a dozen were present from the entire county. But now the flame spread there also, and liberty poles were raised. Mr. Gallatin himself, inquiring as to their significance and expressing to the men engaged the hope that they would not behave like a mob, was asked, in return, if he was not aware of the Westmoreland resolution that any one calling the people a mob should be tarred and feathered,—an amusing example of that mob logic which proves the affirmative of the proposition it denies.

Mr. Gallatin did not attend the meeting at Braddock's Field. Somewhat isolated at his residence at the southerly border of the county, engaged in the care of his long neglected farm, and in the full enjoyment of release from the bustle and excitement of public life, he had paid little attention to passing events. He was preparing definitively to abandon political pursuits and to follow some kind of mercantile business, or take up some land speculation and study law in his intervals of leisure. It was not a year since he had given hostages to fortune. He was now in the full tide of domestic happiness, which was always to him the dearest and most coveted. He might well have hesitated before again engaging upon the dangerous and uncertain task of controlling an excited and aggrieved population. But he did not hesitate.

The people among whom he had made his home, and whose confidence had never failed him, were his people. By them he would stand in their extremity, and if hurt or ruin befell them, it should not be for want of the interposition of his counsel. He knew his powers, and he determined to bring them into full play. He knew the danger also, but it only nerved him to confront and master it. He knew his duty, and did not swerve one hair from the line it prompted. In no part of his long, varied, and useful political life does he appear to better advantage than in this exciting episode of the Whiskey Insurrection. His self-possession, his cool judgment, swayed neither by timidity nor rashness, never for a moment failed him. Here he displayed that remarkable combination of persuasion and control,—the indispensable equipment of a political chief,—which, in later days, gave him the leadership of the Republican party. With intuitive perception of the political situation he saw that the only path to safety, beset with difficulty and danger though it were, was through the convention at Parkinson's Ferry. He did not believe that any revolutionary proceedings had yet been taken, or that the convention was an illegal body, but he was determined to separate the wheat from the chaff, and disengage the moderate and the law-abiding from the disorderly. By the light of his own experience he had learned wisdom. He also had drawn a lesson from the French Revolution, and knew the uncontrollable nature of large popular assemblages. The news from Philadelphia, the seat of government, was of a kind to increase his alarm. Washington was not the man to overlook such an insult to authority as the resistance to the marshal and inspector; nor was it probable that Hamilton would let pass such an occasion for showing the strength and vigor of the government.

Before the meeting at Braddock's Field, the secretary's plans for a suppression of the insurrection were matured. On August 2 he laid before the President an estimate of the probable armed force of the insurgents, and of that with which he proposed to reduce them to submission. When the question of the use of force came before the cabinet, Edmund Randolph, who was secretary of state, opposed it in a written opinion, one phrase of which deserves repetition:—

> “It is a fact well known that the parties in the United States are highly inflamed against each other, and that there is but one character which keeps both in awe. As soon as the sword shall be drawn, who shall be able to retain them.”

Mifflin, the governor of Pennsylvania, deprecated immediate resort to force; the venerable Chief Justice McKean suggested the sending of commissioners on the part of the federal and state governments. Washington, with perfect judgment, combined these plans, and happily allied conciliation with force. A proclamation was issued on August 7 summoning all persons involved in the disturbance to lay down their arms and repair to their homes by September 1. Requisitions were made upon the governors of Pennsylvania, Maryland, Virginia, and New Jersey for fifteen thousand men in all, and a joint commission of five was raised,—three of whom on the part of the United States were appointed by the President, and two on the part of the State of Pennsylvania. This news was soon known at Pittsburgh, and rapidly spread through the adjacent country; and it was clear that in the proceedings to be taken at Parkinson's Ferry the question of resistance or submission must be definitively settled. On August 14, 1794, the convention assembled; two

hundred and twenty-six delegates in all, of whom ninety-three were from Washington, forty-nine from Westmoreland, forty-three from Allegheny, thirty-three from Fayette, two from Bedford, five from Ohio County in Virginia, with spectators to about the same number.

Parkinson's Ferry, later called Williamsport, and now Monongahela City, is on the left bank of the Monongahela, about half way between Pittsburgh and Red Stone Old Fort or Brownsville. Brackenridge pictures the scene with his usual local color: “Our hall was a grove, and we might well be called 'the Mountain' (an allusion to the radical left of the French convention), for we were on a very lofty ground overlooking the river. We had a gallery of lying timber and stumps, and there were more people collected there than there was of the committee.” In full view of the meeting stood a liberty pole, raised in the morning by the men who signed the Braddock's Field circular order, and it bore the significant motto, “Liberty and no excise and no asylum for cowards.” Among the delegates, or the committee, to use their own term, were Bradford, Marshall, Brackenridge, Findley, and Gallatin. Before the meeting was organized, Marshall came to Gallatin and showed him the resolutions which he intended to move, intimating at the same time that he wished Mr. Gallatin to act as secretary. Mr. Gallatin told him that he highly disapproved the resolutions, and had come to oppose both him and Bradford, and therefore did not wish to serve. Marshall seemed to waver; but soon the people met, and Edward Cook of Fayette, who had presided at Braddock's Field, was chosen chairman, with Gallatin for secretary. Bradford opened the proceedings with a summary sketch of the action previously taken, declared the purpose of the committee to be to determine on a course of action, and his own views to be the appointment of committees to raise money, purchase arms, enlist volunteers, or draft the militia: in a word, though he did not use it, to levy war.

At this point in the proceedings the arrival of the commissioners from the President was announced, but the progress of the meeting was not interrupted. The commissioners were at a house near the meeting, but there were serious objections against holding a conference at this place.

Marshall then moved his resolutions. The first, declaratory of the grievance of carrying citizens great distances for trial, was unanimously agreed to. The second called for a committee of public safety “to call forth the resources of the western country to repel any hostile attempts that may be made against the rights of the citizens, or of the body of the people.” Had this resolution been adopted, the people were definitively committed to overt rebellion. This brought Mr. Gallatin at once to his feet. He denied that any hostile attempts against the rights of the people were threatened, and drew an adroit distinction between the regular army, which had not been called out, and the militia, who were a part of the people themselves; and to gain time he moved a reference of the resolutions to a committee who should be instructed to wait the action of the government. In the course of his speech Gallatin denied the assertion that resistance to the excise law was legal, or that coercion by the government was necessarily hostile. He was neither supported by his own friends nor opposed by those of Bradford. He stood alone.

But Marshall withdrew his resolution, and a committee of sixty was appointed, with power to summon the people. The only other objectionable resolution was that which pledged the people to the support of the laws, except the excise law and the taking of citizens out of their counties for trial,—an exception which Gallatin succeeded in having stricken out. He then urged the adoption of the resolution, without the exception, as necessary “to the establishment of the laws and the conservation of the peace,” and here he was supported by Brackenridge. The entire resolutions were finally referred to a committee of four,—Gallatin, Bradford, Husbands, and Brackenridge. The meeting then adjourned. The next morning a standing committee of sixty was chosen, one from each township. From these a committee of twelve was selected to confer with the government commissioners. Upon this committee were Cook, the chairman, Bradford, Marshall, Gallatin, Brackenridge, and Edgar. The meeting then adjourned.

Upon this representative body there seems to have been no outside pressure. The proclamation of the President, which arrived while it was in session, showed the determination, while the appointment of the commission showed the moderation, of the government. Gallatin availed of each circumstance with consummate adroitness, pointing out to the desperate the folly of resistance, and to the moderate an issue for honorable retreat.

Meanwhile, the commissioners reached Pittsburgh, where on August 20 the committee of conference was received by them, and an informal understanding arrived at, which was put in writing. The laws were to be enforced with as little inconvenience to the people as possible. All criminal suits for indictable offenses were to be dropped, but civil suits were to take their course. Notice was given that a definitive submission must be made by September 1 following. On the 22d the conference committee answered that they must consult with the committee of sixty. Thursday the 28th was appointed for a meeting at Red Stone Old Fort, the very spot where the original resolutions of opposition were passed in 1791. In the report drawn up every member of the twelve, except Bradford, favored submission.

The hour was critical, the deliberations were in the open air, and under the eyes of a threatening party of seventy riflemen accidentally present from Washington County across the stream. Bradford, who instinctively felt that he had placed himself beyond the pale of pardon, and to whom there was no alternative to revolution but flight, pressed an instant decision and rejection of the written terms of the commissioners. In the presence of personal danger, the conferrees only dared to move that part of their report which advised acceptance of the proffered terms. The question of submission they left untouched. An adjournment was obtained. The next day, to quote the words of Brackenridge, “the committee having convened, Gallatin addressed the chair in a speech of some

hours. It was a piece of perfect eloquence, and was heard with attention and without disturbance." Never was there a more striking instance of intellectual control over a popular assemblage. He saved the western counties of Pennsylvania from anarchy and civil war. He was followed by Brackenridge, who, warned by the example of his companion, or encouraged by the quiet of the assemblage, supported him with vigor. Bradford, on the other hand, faced the issue with directness and savage vehemence. He repelled the idea of submission, and insisted upon an independent government and a declaration of war. Edgar of Washington rejoined in support of the report. Gallatin now demanded a vote, but the twelve conferrees alone supported him. He then proposed an informal vote, but without result. Finally a secret ballot was proposed by a member. A hat was passed, and when the slips of paper were taken out, there were thirty-four yeas and twenty-three nays. The report was declared to be adopted, and amid the scowls of the armed witnesses the meeting adjourned; not, however, before a new committee of conference had been appointed. On this new committee not one of the old leaders was named. They evidently knew the folly of further delay, or of attempting to secure better terms. As his final act Colonel Cook, the chairman of the standing committee of sixty, indorsed the resolution adopted. It declared it to be "to the interest of the people of the country to accede to the proposals made by the commissioners on the part of the United States." This was duly forwarded, with request for a further conference. The commissioners consented, but declined to postpone the time of taking the sense of the people beyond September 11.

William Findley said of the famous and critical debate at Red Stone: "I had never heard speeches that I more ardently desired to see in print than those delivered on this occasion. They would not only be valuable on account of the oratory and information displayed in all the three, and especially in Gallatin's, who opened the way, but they would also have been the best history of the spirit and the mistakes which then actuated men's minds." Findley, in his allotment of the honors of the day, considers that "the verbal alterations made by Gallatin saved the question." Brackenridge thought that his own seeming to coincide with Bradford prevented the declaration of war; and he has been credited with having saved the western counties from the horrors of civil war, Pittsburgh from destruction, and the Federal Union from imminent danger.

Historians have agreed in according to Gallatin the honor of this field day. It was left to John C. Hamilton, half a century later, to charge a want of courage upon Gallatin,—a baseless charge.[3] Not Malesherbes, the noble advocate defending the accused monarch before the angry French convention, with the certainty of the guillotine as the reward of his generosity, is more worthy of admiration than Gallatin boldly pleading the cause of order within rifle range of an excited band of lawless frontiersmen. If, as he confessed later, in his part in the Pittsburgh resolutions he was guilty of "a political sin," he nobly atoned for it under circumstances that would have tried the courage of men bred to danger and to arms. Sin it was, and its consequences were not yet summed up. For although the back of the insurrection was broken at Red Stone Old Fort, there was much yet to be done before submission could be completed.

Bradford attempted to sign, but found that his course at Red Stone Old Fort had placed him outside the amnesty. Well might the moderate men say in their familiar manner of Scripture allusion, "Dagon is fallen." He fled down the Ohio and Mississippi to Louisiana, then foreign soil. The commissioners waited at Pittsburgh for the signatures of adhesion on September 10, which was the last day allowed by the terms of amnesty. They required that meetings should be held on this day in the several townships; the presiding officers to report the result to commissioner Ross at Uniontown the 16th of the same month, on which day he would set out for Philadelphia. The time was inadequate, but there was no help. Gallatin hastened the submission of Fayette, and a meeting of committees from the several townships met at the county seat, Uniontown, on September 10, 1794, when a declaration drawn by Mr. Gallatin was unanimously adopted. A passage in this admirable paper shows the comparative order which prevailed in Fayette County during this period of trouble. It is an appeal to the people of the neighboring counties, who, under the influence of their passions and resentment, might blame those of Fayette for their moderation.

> "The only reflection we mean to suggest to them is the disinterestedness of our conduct upon this occasion. The indictable offences to be buried in oblivion were committed amongst them, and almost every civil suit that has been instituted under the revenue law, in the federal court, was commenced against citizens of this county. By the terms proposed, the criminal prosecutions are to be dropped, but no condition could be obtained for the civil suits. We have been instrumental in obtaining an amnesty, from which those alone who had a share in the riots derive a benefit, and the other inhabitants of the western country have gained nothing for themselves."

This declaration was forwarded on September 17 to Governor Mifflin, with reasons for the delay, and advice that signatures were fast being obtained, not only in the neighboring counties, but even in Fayette, where this formality had not been thought necessary. It closes with a forcible appeal to delay the sending of troops until every conciliatory measure should have proved abortive.

But the commissioners, unfortunately, were not favorably impressed with the reception they met with or the scenes they witnessed on their western mission. They had heard of Bradford's threat to establish an independent government west of the mountains, and they had seen a liberty pole raised upon which the people with the greatest difficulty had been dissuaded from hoisting a flag with six stripes—emblematic of the six counties represented in the committee. The flag was made, but set aside for the fifteen stripes with reluctance. This is Findley's recollection, but

Brackenridge says that it was a flag of seven stars for the four western counties, Bedford, and the two counties of Virginia. This, he adds, was the first and only manifestation among any class of a desire to separate from the Union. But here his memory failed him.

Hamilton had long been impatient. Again, as in old days, he presented his arguments directly to the people. Under the heading, “Tully to the people of the United States,” he printed a letter on August 26, of which the following is a passage:—

> “Your representatives in Congress, pursuant to the commission derived from you, and with a full knowledge of the public exigencies, have laid an excise. At three succeeding sessions they have revised that act ... and *you* have actually paid more than a million of dollars on account of it. But the four western counties of Pennsylvania undertake to rejudge and reverse your decrees. *You* have said, 'The Congress *shall have power* to lay *excises*.' They say, 'The Congress shall *not have* this power;' or, what is equivalent, they shall not exercise it, for a *power* that may not be exercised is a nullity. Your representatives have said, and four times repeated it, 'An excise on distilled spirits *shall* be collected;' they say, 'It *shall not* be collected. We will punish, expel, and banish the officers who shall attempt the collection.'”

The peace commissioners returned to Philadelphia and made their report on September 24. The next day, September 25, Washington issued a proclamation calling out the troops. In it he again warned the insurgents. The militia, already armed, accoutred, and equipped, and awaiting marching orders, moved at once. Governor Mifflin at first hesitated about his power to call out the militia, but when the President's requisition was made, he summoned the legislature in special session, and obtained from it a hearty support, with authority to accept volunteers and offer a bounty. Thus fortified, he made a tour through the lower counties of the State, and by his extraordinary popular eloquence soon filled up the ranks. The old soldier led his troops in person. Those of New Jersey were commanded by their governor, Richard Howell of Revolutionary fame. These formed the right wing and marched to rendezvous at Bedford to cross the mountains by the northern and Pennsylvania route. The left wing, composed of the Virginia troops, under the veteran Morgan, and those of Maryland, under Samuel Smith, a brigadier-general in the army of the Revolution, assembled at Cumberland to cross the mountains by Braddock's Road. The chief command was confided to Governor Henry Lee of Virginia. Washington accompanied the army as far as Bedford. Hamilton continued with it to Pittsburgh, which was reached in the last days of October and the first of November, after a wearisome march across the mountains in heavy weather. Arrived in the western counties, the army found no opposition.

Meanwhile, on October 2, the standing committee met again at Parkinson's Ferry, and unanimously adopted resolutions declaring the general submission, and explaining the reasons why signatures to the amnesty had not been general. Findley and Redick were appointed to take these resolutions to the President, and to urge him to stop the march of the troops. They met the left wing at Carlisle. Washington received them courteously, but did not consent to countermand the march. They hurried back for more unequivocal assurances, which they hoped to be able to carry to meet Washington on his way to review the right wing. On October 14, the day of the autumn elections, general submissions were universally signed, and finally, on October 24, a third and last meeting was held at Parkinson's Ferry, at which a thousand people attended, when, with James Edgar, chairman, and Albert Gallatin, secretary, it was resolved, first, that the civil authority was fully competent to punish both past and future breaches of the law; secondly, that surrender should be made of all persons charged with offenses, in default of which the committee would aid in bringing them to justice; thirdly, that offices of inspection might be opened, and that the distillers were willing and ready to enter their stills.

These resolutions were published in the “Pittsburgh Gazette.” Findley carried them to Bedford, but before he reached the army the President had returned to Philadelphia. The march of the army was not stopped. The two wings made a junction at Uniontown. Companies of horse were scattered through the country. New submissions were made, and the oath of allegiance, required by General Lee, was generally taken.

Hamilton now investigated the whole matter of the insurrection, and it was charged against him, and the charge is supported by Findley, with names of persons, that he spared no effort to secure evidence to bring Gallatin within the pale of an indictment. Of course he failed in this purpose, if indeed it were ever seriously entertained. But the belief that Gallatin was the arch-fiend, who instigated the Whiskey Insurrection, had already become a settled article in the Federalist creed, and for a quarter of a century, long after the Federalist party had become a tradition of the past, the Genevan was held up to scorn and hatred, as an incarnation of deviltry—an enemy of mankind.

On the 8th of November, Hamilton, who remained with the army, wrote to the President that General Lee had concluded to take hold of all who are worth the trouble by the military arm, and then to deliver them over to the disposition of the judiciary. In the mean time, he adds, “all possible means are using to obtain evidence, and accomplices will be turned against the others.”

The night of November 13, 1794, was appointed for the arrests; a dreadful night Findley describes it to have been. The night was frosty; at eight o'clock the horse sallied forth, and before daylight arrested in their beds about two hundred men. The New Jersey horse made the seizures in the Mingo Creek settlement, the hot-bed of the insurrection and the scene of the early excesses. The prisoners were taken to Pittsburgh, and thence, mounted on horses, and guarded by the Philadelphia Gentlemen Corps, to the capital. Their entrance into Cannonsburg is graphically

described by Dr. Carnahan, president of Princeton College, in his account of the insurrection.

> “The contrast between the Philadelphia horsemen and the prisoners was the most striking that can be imagined. The Philadelphians were some of the most wealthy and respectable men of that city. Their uniform was blue, of the finest broadcloth. Their horses were large and beautiful, all of a bay color, so nearly alike that it seemed that every two of them would make a good span of coach horses. Their trappings were superb. Their bridles, stirrups, and martingales glittered with silver. Their swords, which were drawn, and held elevated in the right hand, gleamed in the rays of the setting sun. The prisoners were also mounted on horses of all shapes, sizes, and colors; some large, some small, some long tails, some short, some fat, some lean, some every color and form that can be named. Some had saddles, some blankets, some bridles, some halters, some with stirrups, some with none. The riders also were various and grotesque in their appearance. Some were old, some young, some hale, respectable looking men; others were pale, meagre, and shabbily dressed. Some had great coats,—others had blankets on their shoulders. The countenance of some was downcast, melancholy, dejected; that of others, stern, indignant, manifesting that they thought themselves undeserving such treatment. Two Philadelphia horsemen rode in front and then two prisoners, and two horsemen and two prisoners, actually throughout a line extending perhaps half a mile.... If these men had been the ones chiefly guilty of the disturbance, it would have been no more than they deserved. But the guilty had signed the amnesty, or had left the county before the army approached.”

Dallas, the secretary of state, Gallatin's friend, was one of this troop. Gallatin saw him soon after his return. In a letter to his wife of December 3, Gallatin relates the experience of the trooper who had little stomach for the work he had to do.

> “I saw Dallas yesterday. Poor fellow had a most disagreeable campaign of it. He says the spirits, I call it the madness, of the Philadelphia Gentlemen's Corps was beyond conception before the arrival of the President. He saw a list (handed about through the army by officers, nay, by a general officer) of the names of those persons who were to be destroyed at all events, and you may easily guess my own was one of the most conspicuous. Being one day at table with sundry officers, and having expressed his opinion that, if the army were going only to support the civil authority, and not to do any military execution, one of them (Dallas did not tell me his name, but I am told it was one Ross of Lancaster, aide-de-camp to Mifflin) half drew a dagger he wore instead of a sword, and swore any man who uttered such sentiments ought to be dagged. The President, however, on his arrival, and afterwards Hamilton, took uncommon pains to change the sentiments, and at last it became fashionable to adopt, or at least to express, sentiments similar to those inculcated by them.”

Randolph was, perhaps, not far out of the way in his fear of a civil war should blood be drawn, and in his conviction that the influence of Washington was the only sedative for the fevered political pulse. On November 17 general orders were issued for the return of the army, a detachment of twenty-five hundred men only remaining in the West, under command of General Morgan. There were no further disturbances. The army expenses gave a circulating medium, and the farmers, having now the means to pay their taxes, made no further complaints of the excise law. The total expense of the insurrection to the government was $800,000.

Mr. Gallatin returned with his wife from his western home early in November. He had been again chosen at the October elections to represent Fayette in the Pennsylvania Assembly. Moreover, at the same time, he was elected to represent the congressional district of Washington and Allegheny in the House of Representatives of the United States. Of four candidates Gallatin led the poll. Judge Brackenridge was next in order. No better proof is needed of the firm hold Gallatin had in the esteem and affection of the people. No doubt, either, that they understood his principles, and relied upon his sincere attachment to the country he had made his home.

When he appeared to take his seat in the Assembly he found that his election was contested. A petition was presented from thirty-four persons calling themselves peaceable citizens of Washington County, which stated that their votes had not been cast, because of the disturbed condition of the country, and requested the Assembly to declare the district to have been in a state of insurrection at the time of the election, and to vacate the same. Mr. Gallatin knew the person who procured the signatures, and also that the business originated in the army. It was couched in terms insulting to all the members elect from that district. After a protracted debate the election was declared void on January 9, 1795. It was during this debate that Mr. Gallatin made the celebrated speech called “The speech on the western elections,” in which occurs the confession already alluded to. Speaking of the Pittsburgh resolutions of 1792, he said:—

> “I might say that those resolutions did not originate at Pittsburgh, as they were almost a transcript of the resolutions adopted at Washington the preceding year; and I might even add that they were not introduced by me at the meeting. But I wish not to exculpate myself where I feel I have been to blame. The sentiments thus expressed were not illegal or criminal; yet I will freely acknowledge that they were violent, intemperate, and reprehensible. For, by attempting to render the office contemptible, they tended to diminish that respect for the execution of the laws which is essential to the maintenance of a free government; but whilst I feel regret

at the remembrance, though no hesitation in this open confession of that *my only political sin*, let me add that the blame ought to fall where it is deserved."

This was the first speech of Gallatin that appeared in print—simple, lucid, convincing. The result of the new Assembly election would naturally determine the right of the representatives of the contested district to their seats in Congress. Word had gone forth from the Treasury Department that Gallatin must not take his seat in Congress, and the whippers-in took heed of the desire of their chief. A line of instruction to Badollet, who lived at Greensburg in Washington County, across the river from Gallatin's residence, determined the matter. Gallatin warned him against the attempt that would be made to disaffect that district because none of the representatives whose seats had been vacated were residents of it. "Fall not into the snare," he wrote; "take up nobody from your own district; reëlect unanimously the same members, whether they be your favorites or not. It is necessary for the sake of our general character." Here is an instance of that true political instinct which made of him "the ideal party leader." His advice was followed, and all the members were reëlected but one, who declined. Mr. Gallatin returned to his seat in the Assembly on February 14, and retained it until March 12, when he asked and obtained leave of absence. He does not appear to have taken further part in the session. The subjects, personal to himself, which occupied his attention during the summer will be touched upon elsewhere.

The pitiful business of the trial of the western prisoners needs only brief mention. In May Gallatin was summoned before the grand jury as a witness on the part of the government. The inquiry was finished May 12, and twenty-two bills were found for treason. Against Fayette two bills were found; one for misdemeanor in raising the liberty pole in Uniontown. The petit jury was composed of twelve men from each of the counties of Fayette, Washington, Allegheny, and Northumberland, but none from Westmoreland. One man, a German from Westmoreland, who was concerned in a riot in Fayette, was found guilty and condemned to death. Mr. Gallatin, at the request of the jury, drew a petition to the President, who granted a pardon. Washington extended mercy to the only other offender who incurred the same penalty.

To the close of this national episode, which, in its various phases of incident and character, is of dramatic interest, Gallatin, through good repute and ill repute, stood manfully by his constituents and friends.

FOOTNOTES:

[3] Hamilton's *History of the Republic*, vi. 96.

CHAPTER V

ToC

MEMBER OF CONGRESS

The first session of the fourth Congress began at Philadelphia on Monday, December 7, 1795. Washington was president, John Adams vice-president. No one of Washington's original constitutional advisers remained in his cabinet. Jefferson retired from the State Department at the beginning of the first session of the third Congress. Edmund Randolph, appointed in his place, resigned in a cloud of obloquy on August 19, 1795, and the portfolio was temporarily in charge of Timothy Pickering, secretary of war. Hamilton resigned the department of the Treasury on January 31, 1795, and Oliver Wolcott, Jr., succeeded him in that most important of the early offices of the government. General Henry Knox, the first secretary of war, pressed by his own private affairs and the interests of a large family, withdrew on December 28, 1794, and Timothy Pickering, the postmaster-general, had been appointed in his stead January 2, 1795. The Navy Department was not as yet established (the act creating it was passed April 30, 1798), but the affairs which concerned this branch of the public service were under the direction of the secretary of war. The administration of Washington was drawing to a close. In the lately reconstructed cabinet, honest, patriotic, and thorough in administration, there was no man of shining mark. The Senate was still in the hands of the Federal party. The bare majority which rejected Gallatin in the previous Congress had increased to a sufficient strength for party purposes, but neither in the ranks of the administration nor the opposition was there in this august assemblage one commanding figure.

The House was nearly equally divided. The post of speaker was warmly contested. Frederick A. Muhlenberg of Pennsylvania, who had presided over the House at the sessions of the first Congress, 1789-1791, and again over the third, 1793-1795, was the candidate of the Federalists, but was defeated by Jonathan Dayton of New Jersey, whose views in the last session had drifted him into sympathy with the Republican opposition. The House, when full, numbered one hundred and five members, among whom were the ablest men in the country, veterans of debate versed in parliamentary law and skilled in the niceties of party fence. In the Federal ranks, active, conscious of their power, and proud of the great party which gloried in Washington as their chief, were Robert Goodloe Harper of South Carolina, Theodore Sedgwick of Massachusetts, Roger Griswold and Uriah Tracy of Connecticut, who led the front and held the wings of debate; while in reserve, broken in health but still in the prime of life, the pride of his party and of the House, was Fisher Ames, the orator of his day, whose magic tones held friend and foe in rapt attention, while he mastered the reason or touched the heart. Upon these men the Federal party relied for the

vindication of their principles and the maintenance of their power. Supporting them were William Vans Murray of Maryland, Goodrich and Hillhouse of Connecticut, William Smith of South Carolina, Sitgreaves of Pennsylvania, and in the ranks a well-trained party. Opposed to this formidable array of Federal talent was the Republican party, young, vigorous, and in majority, bold in their ideas but as yet hesitating in purpose under the controlling if not overruling influence of the name and popularity of Washington.

Rob. G. Harper

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Hamilton watched the shifting fortunes of his party from a distance, and found time in the pressure of a large legal practice to aid each branch of administration in turn with his advice. But though he still inspired its councils, he no longer directed its course. In his Monticello home Jefferson waited till the fruit was ripe for falling, occasionally impatient that his followers did not more roughly shake the tree.

The open rupture of Jefferson with Hamilton was the first great break in the Federal administration; the lukewarmness of Madison, whose leanings were always towards Jefferson, followed.

At the head of the Republican opposition was Madison. Wise in council, convincing in argument, an able and even adroit debater, he was an admirable leader, but his tactics were rather of the closet than the field. He was wanting in the personal vigor which, scorning defense, delights in bold attack upon the central position of the enemy, and carries opposition to the last limit of parliamentary aggression. With this mildness of character, though recognized as the leader of his party, he, as a habit, waived his control upon the floor of the House, and, reserving his interference for occasions when questions of constitutional interpretation arose, left the general direction of debate to William B. Giles of Virginia, a skillful tactician and a ready debater, keen, bold, and troubled by no scruples of modesty, respect, or reverence for friend or foe. Of equal vigor, but of more reserve, was John Nicholas of Virginia—a man of strong intellect, reliable temper, and with the dignity of the old school. To these were now added Albert Gallatin and Edward Livingston. Edward Livingston, from New York, was young, and as yet inexperienced in debate, but of remarkable powers. He was another example of that early intellectual maturity which was a characteristic of the time.

When Congress met, the all-disturbing question was the foreign policy of the United States. The influence of the French Revolution upon American politics was great. The Federalists, conservative in their views, held the new democratic doctrines in abhorrence, and used the terrible excesses of the French Revolution with telling force against their Republican adversaries. The need of a strong government was held up as the only alternative to anarchy. In the struggle which now united Europe against the French republic, the sympathies of the Federalists were with England. Hence they were accused of a desire to establish a monarchy in the United States, and were ignominiously called the British party. Shays's Rebellion in Massachusetts and the Whiskey Insurrection in Pennsylvania gave point to their arguments.

On the other side was the large and powerful party which, throughout the war in the Continental Congress, under the confederation in the national convention which framed and in the state conventions which ratified the Constitution, had opposed the tendency to centralization, but had been defeated by the yearning of the body of the plain people for a government strong enough at least to secure them peace at home and protection abroad. This natural craving being satisfied, the old aversion to class distinctions returned. The dread of an aristocracy, which did not exist even in name, threw many of the supporters of the Constitution into the ranks of its opponents, who were democrats in name and in fact. The proclamation of the rights of man awoke this latent sentiment, and aroused an intense sympathy for the people of France. This again was strengthened by the memory, still warm, of the services of France in the cause of independence. Lafayette, who represented the true French republican spirit, and held a place in the affections of

the American people second only to that of Washington, was languishing, a prisoner to the coalition of sovereigns, in an Austrian dungeon.

Jefferson returned from France deeply imbued with the spirit of the French Revolution. His views were warmly received by his political friends, and the principles of the new school of politics were rapidly spread by an eager band of acolytes, whose ranks were recruited until the feeble opposition became a powerful party. Democratic societies, organized on the plan of the French Jacobin clubs, extended French influence, and no doubt were aided in a practical way by Genet, whose recent marriage with the daughter of George Clinton, the head of the Republican party in New York, was an additional link in the bond of alliance.

During the second session of the third Congress Madison had led the opposition in a mild manner; party lines were not yet strongly defined, and the influence of Washington was paramount. In the interim between its expiration and the meeting of the fourth Congress in December, the country was wildly agitated by the Jay treaty. This document not reaching America until after the adjournment of Congress in March, Washington convened the Senate in extra and secret session on June 1, and the treaty was ratified by barely two thirds majority. Imprudently withheld for a time, it was at last made public by Senator Mason of Virginia, one of the ten who voted against its ratification. It disappointed the people, and was denounced as a weak and ignominious surrender of American rights. The merchants of Boston, New York, Philadelphia, and Charleston protested against it in public meetings. It was burned, and the English flag was trailed in the dust before the British minister's house at the capital. Jay was hung in effigy, and Hamilton, who ventured to defend the treaty at a public meeting, was stoned. To add to the popular indignation that the impressment of American seamen had been ignored in the instrument, came the alarming news that the British ministry had renewed their order to seize vessels carrying provisions to France, whither a large part of the American grain crop was destined. On the other hand, Randolph, the secretary of state, had compromised the dignity of his official position in his intercourse with Fauchet, the late French ambassador, whose correspondence with his government, thrown overboard from a French packet, had been fished up by a British man-of-war, and forwarded to Grenville, by whom it was returned to America. Thus petard answered petard, and the charge by the Republicans upon the Federalists of taking British gold was returned with interest, and the accusation of receiving bribe money was brought close home to Randolph, if not proved.

Hard names were not wanting either; Jefferson was ridiculed as a *sans-culotte* and red-legged Democrat. Nor was Washington spared. He was charged with an assumption of royal airs, with political hypocrisy, and even with being a public defaulter; a charge which no one dared to father, and which was instantly shown to be false and malicious. It was made by Bache in “The Aurora,” a contemptible sheet after the fashion of “L'Ami du Peuple,” Marat's Paris organ.

Such was the temper of the people when the House of Representatives met on December 7, 1795. The speaker, Dayton, was strongly anti-British in feeling. He was a family connection of Burr, but there is no reason to suppose that he was under the personal influence of that adroit and unscrupulous partisan. On the 8th President Washington, according to his custom, addressed both houses of Congress. This day for the first time the gallery was thrown open to the public. When the reply of the Senate came up for consideration, the purpose of the Republicans was at once manifest. They would not consent to the approbation it expressed of the conduct of the administration. They would not admit that the causes of external discord had been extinguished “on terms consistent with our national honor and safety,” or indeed extinguished at all, and they would not acknowledge that the efforts of the President to establish the peace, freedom, and prosperity of the country had been "enlightened and firm." Nevertheless the address was agreed to by a vote of 14 to 8.

In the House a resolution was moved that a respectful address ought to be presented. The opposition immediately declared itself. Objection was made to an address, and in its stead the appointment of a committee to wait personally on the President was moved. The covert intent was apparent through the thin veil of expediency, but the Republicans as a body were unwilling to go this length in discourtesy, and did not support the motion. Only eighteen members voted for it. Messrs. Madison, Sedgwick, and Sitgreaves, the committee to report an address, brought in a draft on the 14th which was ordered to be printed for the use of the members. The next day the work of dissection was begun by an objection to the words “probably unequaled spectacle of national happiness” applied to the country, and the words “undiminished confidence” applied to the President. The words “probably unequaled” were stricken out without decided opposition by a vote of forty-three to thirty-nine. Opinions were divided on that subject even in the ranks of the Federalists. The cause of dissatisfaction was the Jay treaty. The address was recommitted without a division. The next day Madison brought in the address with a modification of the clause objected to. In its new form the “very great share” of Washington's zealous and faithful services in securing the national happiness was acknowledged. The address thus amended was unanimously adopted. In this encounter nothing was gained by the Republicans. The people would not have endured an open declaration of want of confidence in Washington. But the entering wedge of the new policy was driven. The treaty was to be assailed. It was, however, the pretext, not the cause of the struggle, the real object of which was to extend the powers of the House, and subordinate the executive to its will. Before beginning the main attack the Republicans developed their general plan in their treatment of secondary issues; of these the principal was a tightening of the control of the House over the Treasury Department.

In this Mr. Gallatin took the lead. His first measure was the appointment of a standing Committee of Finance to superintend the general operations of this nature,—an efficient aid to the Treasury when there is accord between the administration and the House, an annoying censor when the

latter is in opposition. This was the beginning of the Ways and Means Committee, which soon became and has since continued to be the most important committee of the House. To it were to be referred all reports from the Treasury Department, all propositions relating to revenue, and it was to report on the state of the public debt, revenue, and expenditures. The committee was appointed without opposition. It consisted of fourteen members, William Smith, Sedgwick, Madison, Baldwin, Gallatin, Bourne, Gilman, Murray, Buck, Gilbert, Isaac Smith, Blount, Patten, and Hillhouse, and represented the strength of both political parties. To this committee the estimates of appropriations for the support of the government for the coming year were referred. The next step was to bring to the knowledge of the House the precise condition of the Treasury. To this end the secretary was called upon to furnish comparative views of the commerce and tonnage of the country for every year from the formation of the department in 1789, with tables of the exports and imports, foreign and domestic, separately stated, and with a division of the nationality of the carrying vessels. Later, comparative views were demanded of the receipts and expenditures for each year; the receipts under the heads of Loans, Revenue in its various forms, and others in their several divisions; the expenditures, also, to be classified under the heads of Civil List, Foreign Intercourse, Military Establishment, Indian Department, Naval, etc. Finally a call was made for a statement of the annual appropriations and the applications of them by the Treasury. The object of Mr. Gallatin was to establish the expenses of the government in each department of service on a permanent footing for which annual appropriations should be made, and for any extraordinary expenditure to insist on a special appropriation for the stated object and none other. By keeping constantly before the House this distinction between the permanent fund and temporary exigencies, he accustomed it to take a practical business view of its legislative duties, and the people to understand the principles he endeavored to apply.

In a debate at the beginning of the session, on a bill for establishing trading houses with the Indians, Mr. Gallatin showed his hand by declaring that he would not consent to appropriate any part of the war funds for the scheme; nor, in view of the need of additional permanent funds for the discharge of the public debt, would he vote for the bill at all, unless there was to be a reduction in the expense of the military establishment; and he would not be diverted from his purpose although Mr. Madison advocated the bill because of its extremely benevolent object. The Federal leaders saw clearly to what this doctrine would bring them, and met it in the beginning. The first struggle occurred when the appropriations for the service of 1796 were brought before the House. Beginning with a discussion upon the salaries of the officers of the mint, the debate at once passed to the principle of appropriations. The Federalists insisted that a discussion of the merits of establishments was not in order when the appropriations were under consideration; that the House ought not, by withholding appropriations, to destroy establishments formed by the whole legislature, that is, by the Senate and House; that the House should vote for the appropriations agreeably to the laws already made. This view was sanctioned by practice. Mr. Gallatin immediately opposed this as an alarming and dangerous principle. He insisted that there was a certain discretionary power in the House to appropriate or not to appropriate for any object whatever, whether that object were authorized or not. It was a power vested in the House for the purpose of checking the other branches of government whenever necessary. He claimed that this power was shown in the making of yearly instead of permanent appropriations for the civil list and military establishments, yet when the House desired to strengthen public credit it had rendered the appropriation for those objects permanent and not yearly. It was, therefore, “contradictory to suppose that the House was bound to do a certain act at the same time that they were exercising the discretionary power of voting upon it.” The debate determined nothing, but it is of interest as the first declaration in Congress of the supremacy of the House of Representatives.

The great debate which, from the principles involved in it as well as the argument and oratory with which they were discussed, made this session of the House famous, was on the treaty with Great Britain. This was the first foreign treaty made since the establishment of the Constitution. The treaty was sent in to the House “for the information of Congress,” by the President, on March 1, with notice of its ratification at London in October. The next day Mr. Edward Livingston moved that the President be requested to send in a copy of the instructions to the minister of the United States who negotiated the treaty, together with the correspondence and other documents. A few days later he amended his resolution by adding an exception of such of said papers as any existing negotiations rendered improper to disclose. The Senate in its ratification of the treaty suspended the operation of the clause regulating the trade with the West Indies, on which Great Britain still imposed the old colonial restriction, and recommended the President to open negotiations on this subject; and in fact such negotiations were in progress. The discussion was opened on the Federal side by a request to the gentlemen in favor of the call to give their reasons. Mr. Gallatin supported the resolution, and expressed surprise at any objection, considering that the exception of the mover rendered the resolution of itself unexceptionable. The President had not informed the House of the reasons upon which the treaty was based. If he did not think proper to give the information sought for, he would say so to them. A question might arise whether the House should get at those secrets even if the President refused the request, but that was not the present question. In reply to Mr. Murray, who asserted that the treaty was the supreme law of the land, and that there was no discretionary power in the House except on the question of its constitutionality, Mr. Gallatin said that Congress possessed the power of regulating trade,—perhaps the treaty-making power clashed with that,—and concluded by observing that the House was the grand inquest of the nation, and that it had the right to call for papers on which to ground an impeachment. At present he did not contemplate an exercise of that right. Mr. Madison said it was now to be decided whether the general power of making treaties supersedes the powers of the House of Representatives, particularly specified in the Constitution, so as to give to the executive all deliberative will and leave the House only an executive and ministerial instrumental

agency; and he proposed to amend the resolution so as to read, “except so much of said papers as in his (the President's) judgment it may be inconsistent with the interest of the United States at this time to disclose.” But his motion was defeated by a vote of 47 nays to 37 yeas.

The discussion being resumed in committee of the whole, the expressions of opinion were free on both sides, but so moderate that one of the members made comment on the calmness and temper of the discussion. Nicholas said that, if the treaty were not the law of the land, the President should be impeached. But the parts of the treaty into which the President had not the right to enter, he could not make law by proclamation. Swanwick supported the call as one exercised by the House of Commons. On the Federal side, Harper said that the papers were not necessary, and, being unnecessary, the demand was an improper and unconstitutional interference with the executive department. If he thought them necessary, he would change the milk and water style of the resolutions. In that case the House had a right to them and he had no idea of requesting as a favor what should be demanded as a right. Gallatin, he said, had declared that it was a request, but that in case of refusal it might be considered whether demand should not be made, and he charged that when, at the time the motion was made, the question had been asked, what use was to be made of the papers, Gallatin did not and could not reply. Mr. Gallatin answered that whether the House had a discretionary power, or whether it was bound by the instrument, there was no impropriety in calling for the papers. He hoped to have avoided the constitutional question in the motion, but as the gentlemen had come forward on that ground, he had no objection to rest the decision of the constitutional power of Congress on the fate of the present question. He would therefore state that the House had a right to ask for the papers.

The constitutional question being thus squarely introduced, Mr. Gallatin made an elaborate speech, which, from its conciseness in statement, strength of argument, and wealth of citations of authority, was, to say the least, inferior to no other of those drawn out in this memorable struggle. In its course he compared the opinion of those who had opposed the resolution to the saying of an English bishop, that the people had nothing to do with the law but to obey it, and likened their conduct to the servile obedience of a Parliament of Paris under the old order of things. He concluded with the hope that the dangerous doctrine, that the representatives of the people have not the right to consult their discretion when about exercising powers delegated by the Constitution, would receive its death-blow. Griswold replied in what by common consent was the strongest argument on the Federal side. The call, at first view simple, had, he said, become a grave matter. The gist of his objection to it was that the people in their Constitution had made the treaty power paramount to the legislative, and had deposited that power with the President and Senate.

Mr. Madison once more rose to the constitutional question. He said that, if the passages of the Constitution be taken literally, they must clash. The word *supreme*, as applied to treaties, meant as over the state Constitutions, and not over the Constitution and laws of the United States. He supported Mr. Gallatin's view of the congressional power as coöperative with the treaty power. A construction which made the treaty power omnipotent he thought utterly inadmissible in a constitution marked throughout with limitations and checks.

Mr. Gallatin again claimed the attention of the House, as the original question of a call for papers had resolved itself into a discussion on the treaty-making power. In the treaty of peace of 1783 there were three articles which might be supposed to interfere with the legislative powers of the several States: 1st, that which related to the payment of debts; 2d, the provision for no future confiscations; 3d, the restitution of estates already confiscated. The first could not be denied. “Those,” he said, “might be branded with the epithet of disorganizers, who threatened a dissolution of the Union in case the measures they dictated were not obeyed; and he knew, although he did not ascribe it to any member of the House, that men high in office and reputation had industriously spread an alarm that the Union would be dissolved if the present motion was carried.” He took the ground that a treaty is not valid, and does not bind the nation as such, till it has received the sanction of the House of Representatives. Mr. Harper closed the argument on the Federal side. On March 24 the resolution calling for the papers was carried by a vote of yeas 62, nays 37, absent 5, the speaker 1 (105). Livingston and Gallatin were appointed to present the request to the President.

On March 30 the President returned answer to the effect that he considered it a dangerous precedent to admit this right in the House; that the assent of the House was not necessary to the validity of a treaty; and he absolutely refused compliance with the request. The letter of instructions to Jay would bear the closest examination, but the cabinet scorned to take shelter behind it, and it was on their recommendation that the President's refusal was explicit. This message, in spite of the opposition of the Federalists, was referred, by a vote of 55 yeas to 37 nays, to the committee of the whole. This reference involved debate. In his opposition to this motion, Mr. Harper said that the motives of the friends of the resolution had been avowed by the “gentleman who led the business, from Pennsylvania;” whereby it appears that Mr. Gallatin led the Republicans in the first debate. During this his first session he shared this distinction with Mr. Madison. At the next he became the acknowledged leader of the Republican party.

On April 3 the debate was resumed. This second debate was led by Mr. Madison, who considered two points: 1st, the application for papers; 2d, the constitutional rights of Congress. His argument was of course calm and dispassionate after his usual manner. The contest ended on April 7, with the adoption of two resolutions: 1st, that the power of making treaties is exclusively with the President and Senate, and the House do not claim an agency in making them, or ratifying them when made; 2d, that when made a treaty must depend for the execution of its stipulations on a law or laws to be passed by Congress; and the House have a right to deliberate and determine the

expediency or inexpediency of carrying treaties into effect. These resolutions were carried by a vote of 63 to 27.

There was now a truce of a few days. In the meanwhile the country was agitated to an extent which, if words mean anything, really threatened an attempt at dissolution of the Union, if not civil war itself. The objections on the part of the Republicans were to the treaty as a whole. Their sympathies were with France in her struggle for liberty and democratic institutions and against England, and their real and proper ground of antipathy to the instrument lay in its concession of the right of capture of French property in American vessels, whilst the treaty with France forbade her to seize British property in American vessels. The objections in detail had been formulated at the Boston public meeting the year before. The commercial cities were disturbed by the interference with the carrying trade; the entire coast, by the search of vessels and the impressment of seamen; the agricultural regions, by the closing of the outlet for their surplus product; the upland districts, by the stoppage of the export of timber. But the country was without a navy, was ill prepared for war, and the security of the frontier was involved in the restoration of the posts still held by the British.

The political situation was uncertain if not absolutely menacing. The threats of disunion were by no means vague. The Pendleton Society in Virginia had passed secession resolutions, and a similar disposition appeared in other States. While the treaty was condemned in the United States, British statesmen were not of one opinion as to the advantages they had gained by Grenville's diplomacy. Jay's desire, expressed to Randolph, “to manage so that in case of wars our people should be united and those of England divided,” was not wholly disappointed. And there is on record the expression of Lord Sheffield, when he heard of the rupture in 1812, “We have now a complete opportunity of getting rid of that most impolitic treaty of 1794, when Lord Grenville was so perfectly duped by Jay.”[4] Washington's ratification of the treaty went far to correct the hasty judgment of the people, and to reconcile them to it as a choice of evils. Supported by this modified tone of public opinion, the Federalists determined to press the necessary appropriation bills for carrying the treaties into effect. Besides the Jay treaty there were also before the House the Wayne treaty with the Indians, the Pinckney treaty with Spain, and the treaty with Algiers. With these three the House was entirely content, and the country was impatient for their immediate operation. Wayne's treaty satisfied the inhabitants on the frontier. The settlers along the Ohio, among whom was Gallatin's constituency, were eager to avail themselves of the privileges granted by that of Pinckney, which was a triumph of diplomacy; and all America, while ready to beard the British lion, seems to have been in terror of the Dey of Algiers. Mr. Sedgwick offered a resolution providing for the execution of the four treaties. Mr. Gallatin insisted on and received a separate consideration of each. That with Great Britain was reserved till the rest were disposed of. It was taken up on April 14. Mr. Madison opened the debate. He objected to the treaty as wanting in real reciprocity; 2d, in insufficiency of its provisions as to the rights of neutrals; 3d, because of its commercial restrictions. Other Republican leaders followed, making strong points of the position in which the treaty placed the United States with regard to France, to whom it was bound by a treaty of commercial alliance, which was a part of the contract of aid in the Revolutionary War; and also of the possible injustice which would befall American claimants in the British courts of admiralty.

The Federalists clung to their ground, defended the treaty as the best attainable, and held up as the alternative a war, for which the refusal of the Republicans to support the military establishment and build up a navy left the country unprepared. In justice to Jay, his significant words to Randolph, while doubtful of success in his negotiation, should be remembered: “Let us hope for the best and prepare for the worst.” To the red flag which the Federalists held up, Mr. Gallatin replied, accepting the consequences of war if it should come, and gave voice to the extreme dissatisfaction of the Virginia radicals with Jay and the negotiation. He charged that the cry of war and threats of a dissolution of the government were designed for an impression on the timidity of the House. “It was through the fear of being involved in a war that the negotiation with Great Britain had originated; under the impression of fear the treaty had been negotiated and signed; a fear of the same danger, that of war, had promoted its ratification; and now every imaginary mischief which could alarm our fears was conjured up in order to deprive us of that discretion which this House thought they had a right to exercise, and in order to force us to carry the treaty into effect.” He insisted on the important principle that 'free ships make free goods,' and complained of its abandonment by the negotiators.

In a reply to this attack upon Jay, whose whole life was a refutation of the charge of personal or moral timidity, Mr. Tracy passed the limits of parliamentary courtesy. “The people,” he said, “where he was most acquainted, whatever might be the character of other parts of the Union, were not of the stamp to cry hosannah to-day and crucify to-morrow; they will not dance around a whiskey pole to-day and curse their government, and upon hearing of a military force sneak into a swamp. No,” said he, “my immediate constituents, whom I very well know, understand their rights and will defend them, and if they find the government will not protect them, they will attempt at least to protect themselves;” and he concluded, “I cannot be thankful to that gentleman for coming all the way from Geneva to give Americans a character for pusillanimity.” He held it madness to suppose that if the treaty were defeated war could be avoided. Called to order, he said that he might have been too personal, and asked pardon of the gentleman and of the House.

The brilliant crown of the debate was the impassioned speech of Fisher Ames, the impression of which upon the House and the crowded gallery is one of the traditions of American oratory. The scene, as it has been handed down to us, resembles, in all save its close, that which Parliament presented when Chatham made his last and dying appeal. Like the great earl, Ames rose pale and

trembling from illness to address a House angry and divided. Defending himself and the Federal party against the charge of being in English interest, he said, “Britain has no influence, and can have none. She has enough—and God forbid she ever should have more. France, possessed of popular enthusiasm, of party attachments, has had and still has *too much influence* on our politics, —any foreign influence is too much and ought to be destroyed. I detest the man and disdain the spirit that can ever bend to a mean subserviency to the views of any nation. It is enough to be American. That character comprehends our duties and ought to engross our attachments.” Considering the probable influence on the Indian tribes of the rejection of the treaty, he said, "By rejecting the Posts we light the savage fires, we bind the victims.... I can fancy that I listen to the yells of savage vengeance and shrieks of torture. Already they seem to sigh in the west wind,—already they mingle with every echo from the mountains." His closing words again bring Chatham to mind. “Yet I have perhaps as little personal interest in the event as any one here. There is, I believe, no member who will not think his chance to be a witness of the consequences greater than mine. If, however, the vote should pass to reject, and a spirit should rise, as rise it will, with the public disorders to make confusion worse confounded, even I, slender and almost broken as my hold upon life is, may outlive the government and Constitution of my country.” This appeal, supported by the petitions and letters which poured in upon the House, left no doubt of the result. An adjournment was carried, but the speech was decisive. The next day, April 29, it was resolved to be expedient to make the necessary appropriations to carry the treaty into effect. The vote stood 49 ayes to 49 nays, and was decided in the affirmative by Muhlenberg, who was in the chair. But the House would not be satisfied without an expression of condemnation of the instrument. On April 30 it was resolved that in the opinion of the House the treaty was objectionable.

While Mr. Gallatin in this debate rose to the highest rank of statesmanship, he showed an equal mastery of other important subjects which engaged the attention of the House during the session. He was earnest for the protection of the frontier, but had no good opinion of the Indians. “Twelve years had passed,” he said, “since the peace of 1783; ever since that time he had lived on the frontier of Pennsylvania. Not a year of this period had passed, whether at war or peace, that some murders had not been committed by the Indians, and yet not an act of invasion or provocation by the inhabitants.” In the matter of impressment of American seamen, he urged the lodging of sufficient power in the executive. Men had been impressed, and he held it to be the duty of the House to take notice of it by war or negotiation. In the establishment of land offices for the sale of the western lands he brought to bear upon legislation his practical experience. He urged that the tracts for sale be divided, and distinctions be made between large purchasers and actual settlers—proposing that the large tracts be sold at the seat of government, and the small on the territory itself. He instanced the fact that in 1792 all the land west of the Ohio was disposed of at 1*s.* 6*d.* the acre, and a week afterwards was resold at $1.50, so that the money which should have gone into the treasury went to the pockets of speculators. He also suggested that the proceeds of the sales should be a fund to pay the public debt, and that the public stock should always be received at its value in payment for land; a plan by which the land would be brought directly to the payment of the debt, as foreigners would gladly exchange the money obligations of the government for land. On the question of taxation he declared himself in favor of direct taxes, and held that a tax on houses and lands could be levied without difficulty. He would satisfy the people that it was to pay off the public debt, which he held to be a public curse. He supported the excise duty on stills under regulations which would avoid the watching of persons and houses and inspection by officers, and proposed that licenses be granted for the time applied for.

The military establishment he opposed in every way, attacked the principle on which it was based, and fought every appropriation in detail, from the pay of a major-general to the cost of uniforms for the private soldiers. He was not afraid of the army, he said, but did not think that it was necessary for the support of the government or dangerous to the liberties of the people; moreover, it cost six hundred thousand dollars a year, which was a sum of consequence in the condition of the finances.

The navy found no more favor in his eyes. He denied that fleets were necessary to protect commerce. He challenged its friends to show, from the history of any nation in Europe as from our own, that commerce and the navy had gone hand in hand. There was no nation except Great Britain, he said, whose navy had any connection with commerce. Navies were instruments of power more calculated to annoy the trade of other nations than to protect that of the nations to which they belonged. The price England had paid for her navy was a debt of three hundred millions of pounds sterling. He opposed appropriations even for the three frigates, United States, Constitution, and Constellation,—the construction of which had been ordered,—the germs of that navy which was later to set his theory at naught, redeem the honor of the flag, protect our commerce, and release the country and the civilized world from ignominious tribute to the Mediterranean pirates, who were propitiated in this very session only at the cost of a million of dollars to the Treasury of the United States, and by the gift of a frigate.

In the debate over the payment of the sum of five millions, which the United States Bank had demanded from the government, the greatest part of which had been advanced on account of appropriations, he lamented the necessity, but urged the liquidation. This was the occasion of another personal encounter. In reply to a charge of Gallatin that the Federalists were in favor of debt, Sedgwick alluded to Gallatin's part in the Whiskey Insurrection, and said that none of those gentlemen whom Gallatin had charged with “an object to perpetuate and increase the public debt” had been known to have combined “in every measure which might obstruct the operation of law,” nor had declared to the world "that the men who would accept of the offices to perform the necessary functions of government were lost to every sense of virtue;" “that from them was to be withheld every comfort of life which depended on those duties which as men and fellow-citizens

we owe to each other. If," he said, "the gentlemen had been guilty of such nefarious practices, there would have been a sound foundation for the charge brought against them." Gallatin made no reply. This was the one political sin he had acknowledged. His silence was his expiation.

The Treasury Department and its control, past and present, was the object of his unceasing criticism. In April, 1796, he said, "The situation of the gentleman at the head of the department [Wolcott] was doubtless delicate and unpleasant; it was the more so when compared with that of his predecessor [Hamilton]. Both indeed had the same power to borrow money when necessary; but that power, which was efficient in the hands of the late secretary and liberally enough used by him, was become useless at present. He wished the present secretary to be extricated from his present difficulty. Nothing could be more painful than to be at the head of that department with an empty treasury, a revenue inadequate to the expenses, and no means to borrow." Nevertheless he feared that if it were declared that the payment of the debt incurred by themselves were to be postponed till the present generation were over, it might well be expected that the principle thus adopted by them would be cherished, that succeeding legislatures and administrations would follow in their steps, and that they were laying the foundations of that national curse,—a growing and perpetual debt.

On the last day of the session W. Smith had challenged the correctness of Gallatin's charge that there had been an increase of the public debt by five millions under the present administration, and claimed that there were errors in Gallatin's statement of more than four and a half millions. Gallatin defended his figures. At this day it is impossible to determine the merits of this dispute.

One incident of this session deserves mention as showing the distaste of Gallatin for anything like personal compliment, stimulated in this instance, perhaps, by his sense of Washington's dislike to himself. It had been the habit of the House since the commencement of the government to adjourn for a time on February 22, Washington's birthday, that members might pay their respects to the President. When the motion was made that the House adjourn for *half an hour*, the Republicans objected, and Gallatin, nothing loath to "bell the cat," moved that the words "half an hour" be struck out. His amendment was lost without a division. The motion to adjourn was then put and lost by a vote of 50 nays to 38 ayes. The House waited on the President at the close of the business of the day. On June 1 closed this long and memorable session, in which the assaults of the Republicans upon the administration were so persistent and embarrassing as to justify Wolcott's private note to Hamilton, April 29, 1796, that "unless a radical change of opinion can be effected in the Southern States, the existing establishments will not last eighteen months. The influence of Messrs. Gallatin, Madison, and Jefferson must be diminished, or the public affairs will be brought to a stand." Here is found an early recognition of the political "triumvirate," and Gallatin is the first named.

Gallatin seems to have had some doubts as to his reëlection to Congress. As he did not reside in the Washington and Allegheny district, his name was not mentioned as a candidate, and, to use his own words, he expected to "be gently dropped without the parade of a resignation." In his distaste at separation from his wife, the desire to abandon public life grew upon him. But personal abuse of him in the newspapers exasperating his friends, he was taken up again in October, and he arrived on the scene, he says, too late to prevent it. He had no hope, however, of success, and was resolved to resign a seat to which he was in every way indifferent. "Ambition, love of power," he wrote to his wife on October 16, he had never felt, and he added, if vanity ever made one of the ingredients which impelled him to take an active part in public life, it had for many years altogether vanished away. He was nevertheless reëlected by the district he had represented.

The second session of the fourth Congress began on December 5, 1796. At the beginning of this session Mr. Gallatin took the reins of the Republican party, and held them till its close. The position of the Federalists had been strengthened before the country by the energy of Washington, who, impatient of the delays which Great Britain opposed to the evacuation of the posts, marched troops to the frontier and obtained their surrender. Adet, the new French minister, had dashed the feeling of attachment for France by his impudent notice to the President that the dissatisfaction of France would last until the executive of the United States should return to sentiments and measures more conformable to the interests and friendships of the two nations. In September Washington issued his Farewell Address, in which he gave the famous warning against foreign complications, which, approved by the country, has since remained its policy; but neither the prospect of his final withdrawal from the political and official field, nor the advice of Jefferson to moderate their zeal, availed to calm the bitterness of the ultra Republicans in the House.

The struggle over the answer to the President's message, which Fisher Ames on this occasion reported, was again renewed. An effort was made to strike out the passages complimentary to Washington and expressing regret at his approaching retirement. Giles, who made the motion, went so far as to say that he 'wished him to retire, and that this was the moment for his retirement, that the government could do very well without him, and that he would enjoy more happiness in his retirement than he possibly could in his present situation.' For his part he did not consider Washington's administration either "wise or firm," as the address said. Gallatin made a distinction between the administration and the legislature, and in lieu of the words, wise, firm, and patriotic administration, proposed to address the compliment directly to the wisdom, firmness, and patriotism of Washington. But Ames defended his report, and it was adopted by a vote of 67 to 12. Gallatin voted with the majority, but Livingston, Giles, and Macon held out with the small band of disaffected, among whom it is amusing also to find Andrew Jackson, who took his seat at this

Congress to represent Tennessee, which had been admitted as a State at the last session.[5]

The indebtedness of the States to the general government, in the old balance sheet, on the payment of which Gallatin insisted, was a subject of difference between the Senate and the House. Gallatin was appointed chairman of the committee of conference on the part of the House. The reduction of the military establishment, which he wished to bring down to the footing of 1792, was again insisted upon. Gallatin here ingeniously argued against the necessity for the number of men proposed, that it was a mere matter of opinion, and if it was a matter of opinion, it was not strictly necessary, because if necessary it was no longer a matter of opinion. Naval appropriations were also opposed, on the ground that a navy was prejudicial to commerce. Taxation, direct and indirect, and compensation to public officers were also subjects of debate at this session. On the subject of appropriations, general or special, he was uncompromising. He charged upon the Treasury Department that notwithstanding the distribution of the appropriations they thought themselves at liberty to take money from an item where there was a surplus and apply it to another where it was wanted. To check such irregularity, he secured the passage of a resolution ordering that “the several sums shall be solely applied to the objects for which they are respectively appropriated,” and tacked it to the appropriation bill. The Senate added an amendment removing the restriction, but Gallatin and Nicholas insisting on its retention, the House supported them by a vote of 52 to 36, and the Senate receded.

Notwithstanding the apparent enthusiasm of the House in the early part of the session, when the tricolor of France, a present from the French government to the United States, was sent by Washington to Congress, to be deposited with the archives of the nation, French influence was on the wane. The common sense of the country got the better of its passion. In the reaction the Federalists regained the popular favor for a season.

Whatever latent sympathy the French people may have had for America as the nation which set the example of resistance to arbitrary rule, the French government certainly was moved by no enthusiasm for abstract rights. Its only object was to check the power of their ancient enemy, and deprive it of its empire beyond the seas. Nevertheless, France did contribute materially to American success. The American government and people acknowledged the value of her assistance, and, in spite of the prejudices of race, there was a strong bond of sympathy between the two nations; and when, in her turn, France, in 1789, threw off the feudal yoke, she expected and she received the sympathy of America. Beyond this the government and the people of the United States could not and would not go. The position of France in the winter of 1796-97 was peculiar. She was at war with the two most formidable powers of Europe,—Austria and England, the one the mistress of Central Europe, the other supreme ruler of the seas. The United States was the only maritime power which could be opposed to Great Britain. The French government determined to secure American aid by persuasion, if possible, otherwise by threat. The Directory indiscreetly appealed from the American government to the American people, forgetting that in representative governments these are one. Nor was the precedent cited in defense of this unusual proceeding—namely, the appeal of the American colonists to the people of England, Ireland, and Canada to take part in the struggle against the British government—pertinent; for that was an appeal to sufferers under a common yoke.

The enthusiasm awakened in France by the dramatic reception of the American flag, presented by Monroe to the French Convention, was somewhat dampened by the cooler manner with which Congress received the tricolor, and was entirely dashed by the moderation of the reply of the House to Washington's message. The consent of the House to the appropriations to carry out the Jay Treaty decided the French Directory to suspend diplomatic relations with the United States. The marvelous successes of Bonaparte in Italy over the Austrian army encouraged Barras to bolder measures. The Directory not only refused to receive Charles C. Pinckney, the new American minister, but gave him formal notice to retire from French territory, and even threatened him with subjection to police jurisdiction. In view of this alarming situation, President Adams convened Congress.

The first session of the fifth Congress began at Philadelphia on Monday, May 15, 1797. Jonathan Dayton was reëlected speaker of the House. Some new men now appeared on the field of national debate: Samuel Sewall and Harrison Gray Otis from Massachusetts, James A. Bayard from Delaware, and John Rutledge, Jr., from South Carolina. Madison and Fisher Ames did not return, and their loss was serious to their respective parties. Madison was incontestably the finest reasoning power, and Ames, as an orator, had no equal in our history until Webster appeared to dwarf all other fame beside his matchless eloquence. Parties were nicely balanced, the nominal majority being on the Federal side. Harper and Griswold retained the lead of the administration party. Giles still led the Republican opposition, but Gallatin was its main stay, always ready, always informed, and already known to be in the confidence of Jefferson, its moving spirit. The President's message was, as usual, the touchstone of party. The debate upon it unmasked opinions. It was to all intents a war message, since it asked provision for war. The action of France left no alternative. The Republicans recognized this as well as the Federalists. They must either respond heartily to the appeal of the executive to maintain the national honor, or come under the charge they had brought against the Federalists of sympathy with an enemy. At first they sought a middle ground. Admitting that the rejection of our minister and the manner of it, if followed by a refusal of all negotiation on the subject of mutual complaints, would put an end to every friendly relation between the two countries, they still hoped that it was only a suspension of diplomatic intercourse. Hence, in response to the assurance in the message that an attempt at negotiation would first be made, Nicholas moved an amendment in this vein. The Federalists opposed all interference with the executive, but the Republicans took advantage of the debate to clear

themselves of any taint of unpatriotic motives in their semi-opposition. The Federalists, repudiating the charge of British influence, held up Genet to condemnation, as making an appeal to the people, Fauchet as fomenting an insurrection, and Adet as insulting the government. The Republicans retorted upon them Grenville's proposition to Mr. Pinckney, to support the American government against the dangerous Jacobin factions which sought to overturn it. Gallatin deprecated bringing the conduct of foreign relations into debate, and hoped that the majority would resist the rashness which would drive the country into war; he claimed that a disposition should be shown to put France on an equal footing with other nations. He would offer an ultimatum to France. Harper closed the debate in a powerful and brilliant speech, opposing the amendment because he was for peace, and because peace could only be maintained by showing France that we were preparing for war. So the rival leaders based their opposite action on a common ground. Dayton, the speaker, now embodied Gallatin's idea in another form, and introduced a paragraph to the effect that "the House receive with the utmost satisfaction the information of the President that a fresh attempt at negotiation will be instituted, and cherish the hope that a mutual spirit of conciliation and a disposition on the part of the United States to place France on grounds as favorable as other countries will produce an accommodation compatible with the engagements, rights, and honor of our nation."

Kittera, who was one of the committee on the address, then moved to add after "mutual spirit of conciliation" the clause, "to compensate for any injury done to our neutral rights," etc. This both Harper and Gallatin opposed. Gallatin objected to being forced to this choice. To vote in its favor was a threat, if compensation were refused; to vote against it was an abandonment of the claim. But he should oppose it, if forced to a choice. The Federal leaders insisted; the previous question was ordered, 51 to 48. Here Mr. Gallatin showed himself the leader of his party. He stated that, the majority having determined the question, it was now a choice of evils, and he should vote for the amendment, and it was adopted, 78 ayes to 21 nays. Among the nays were Harper, the Federalist leader, Giles, the nominal chief of the Republicans, and Nicholas, high in rank in that party. But the last word was not yet said. Edward Livingston, who day by day asserted himself more positively, denied that the conduct of the executive had been "just and impartial to foreign nations," and moved to strike out the statement; Gallatin was more moderate. Though he did not believe that in every instance the government had been just and impartial, yet, generally speaking, it had been so. He did not approve the British treaty, though he attributed no bad motives to its makers; but he did not think that the laws respecting the subordinate departments of the executive and judiciary had been fairly executed. He therefore would not consent to the sentence in the answer to the address, that the House did not hesitate to declare that "they would give their most cordial support to principles so deliberately and uprightly established."

What, he asked, were these principles? Otis denounced this as an artful attempt to cast a censure, not only on the executive, but on all the departments of government, and Allen of Connecticut declared "that there was American blood enough in the House to approve this clause and American accent enough to pronounce it." The rough prejudice of the Saxon against the Latin race showed itself in this language, and expressed the antagonism which Mr. Gallatin found to increase with his political progress. Both the resolution and the amendment were defeated, 53 nays to 45 yeas. But when the final vote came upon the address, Mr. Gallatin, with that practical sense which made him the sheet anchor of his party in boisterous weather, voted with the Federalists and carried the moderate Republicans with him. The vote was 62 to 36. Among the irreconcilables the name of Edward Livingston is recorded.

The answer of the President was a model of good sense. "No event can afford me so much cordial satisfaction as to conduct a negotiation with the French Republic to a removal of prejudices, a correction of errors, a dissipation of umbrages, an accommodation of all differences, and a restoration of harmony and affection to the mutual satisfaction of both nations."

This was the leading debate of the session. The situation was too grave for trifling. On June 5, two days after the President's reply, resolutions were introduced to put the country in a state of defense. Gallatin struggled hard to keep down the appropriations, and opposed the employment of the three frigates, which as yet had not been equipped or manned. If they got to sea, the President would have no option except to enforce the disputed articles of the French treaty. Gallatin laid down also the law of search in accordance with the law of nations, and pointed out that resistance to search or capture by merchantmen would not only lead to war, but was war. In the remaining acts of the session he was in favor of the defense of ports and harbors, with no preference as to fortification on government territory; in favor of a prohibition of the export of arms; against raising an additional corps of artillery; against expatriation of persons who took service under foreign governments. He opposed the duty on salt as unequal and unnecessary, and sought to have the loan, which became necessary, cut down to the exact sum of the deficiency in the appropriations; and finally, on the impeachment of William Blount, Senator of the United States, charged with having conspired with the British government to attack the Spaniards of St. Augustine, he pointed out the true method of procedure in the preparation of the bill of impeachment and the arraignment of the offender.

The House adjourned on July 10. Jefferson complained of the weakness and wavering of this Congress, the majority of which shifted with the breeze of "panic or prowess." This was, however, a very narrow view; for at this session the House fairly represented the prevailing sentiment of the country, which was friendly to France as a nation, but indignant with the insolence of her rulers. Gallatin, in the middle of the session, wrote to his wife that the Republicans "were beating and beaten by turns." He supposed that her father, Commodore Nicholson, 'thought him too moderate and about to trim,' and then declared, 'Moderation and firmness hath ever been, and ever will be,

my motto.' Gallatin tells a story of his colleague from Pennsylvania, the old Anti-Federalist, Blair McClanachan, which shows the warmth of party feeling. They were both dining with President Adams, who entertained the members of Congress in turn. “McClanachan told the President that, by God, he would rather see the world annihilated than this country united with Great Britain; that there would not remain a single king in Europe within six months, etc., all in the loudest and most decisive tone.”

Jefferson, who, as vice-president, presided over the debates in the Senate, had no cause to complain of any hesitation in that body, in which the Federalists had regained a clear working majority, giving him no chance of a deciding vote.

The second session of the fifth Congress began on November 13, 1797. The words of the President's address, “We are met together at a most interesting period, the situation of the powers of Europe is singular and portentous,” was not an idle phrase. The star of Bonaparte already dominated the political firmament. Europe lay prostrate at the feet of the armies of the Directory. England, who was supposed to be the next object of attack, was staggering under the load of debt; and the sailors of her channel fleet had risen in mutiny. Even the Federalists, the aristocrats as Mr. Gallatin delighted to call them, believed that she was gone beyond recovery. But the admirers of France were no better satisfied with the threatening attitude of the Directory towards America, and eagerly waited news of the reception given to the envoys extraordinary, Gerry, Pinckney, and Marshall, whom Adams with the consent of the Senate dispatched to Paris in the summer. Even Jefferson lost his taste for a French alliance, and almost wished there were “an ocean of fire between the new and the old world.”

The tone of the President's address was considered wise on all sides, and it was agreed that the answer should be general and not a subject of contention. One of the members asked to be excused from going with the House to the President, but Gallatin showed that, as there was no power to compel attendance, no formal excuse was necessary. When the motion was put as to whether they should go in a body as usual to present their answer, Mr. Gallatin voted in the negative. He nevertheless accompanied the members, who were received pleasantly by President Adams and “treated to cake and wine.”

Harper was made the chairman of the Ways and Means Committee. Though of high talents and a fine speaker, Gallatin found him a “great bungler” in the business of the House, a large share of which fell upon his own shoulders as well as the direction of the Republicans, of whom, notwithstanding the jealousy of Giles, he now was the acknowledged leader. As a member for Pennsylvania, Mr. Gallatin presented a memorial from the Quakers with regard to the arrest of fugitive slaves on her soil; the law of Pennsylvania declaring all men to be free who set foot in that State except only servants of members of Congress. There was already an opposition to hearing any petition with regard to slaves, but Gallatin insisted on the memorial taking the usual course of reference to a committee. He directed the House also in the correct path in its legislation as to foreign coins. It was proposed to take from them the quality of legal tender; but he showed that it was policy not to discriminate against such coins until the mint could supply a sufficiency for the use of the country. In this argument he estimated the entire amount of specie in the United States at eight millions of dollars. At this early period in his political career he was acquiring that precise knowledge of the facts of American finance which later served to establish the principles upon which it is based.

This session was noteworthy by reason of the first personal encounter on the floor of the House. It was between two Northern members, Lyon of Vermont and Griswold of Connecticut. Gallatin stood by Lyon, who was of his party, and showed that the House could not expel him, since it was not at the time in organized session. As the Federalists would not consent to censure Griswold, both offenders escaped even a formal reproof. The general bitterness of feeling which marked the summer session was greatly modified in the expectant state of foreign politics; but the occasion for display of political divergence was not long delayed.

On January 18, 1798, Mr. Harper, who led the business of the House, moved the appropriation for foreign intercourse. This was seized upon by the opposition to advance still further their line of attack by a limitation of the constitutional prerogative of the President. In addition to the usual salaries of the envoys to Great Britain and France, appropriations were asked for the posts at Madrid, Lisbon, and Berlin, which last Mr. Adams had designated as a first-class mission. The discussion on the powers of the President, and the extent to which they might be controlled by paring down the appropriations, lifted the debate from the narrow ground of economy in administration to the higher plane of constitutional powers. Nicholas opened on the Republican side by announcing that it was seasonable to bring back the establishment of the diplomatic corps to the footing it had been on until the year 1796. In all governments like our own he declared that there was a tendency to a union and consolidation of all its parts into the executive, and the limitation and annexion of the parts with each other as settled by the Constitution would be destroyed by this influence unless there were a constant attention on the part of the legislature to resist it. The appointment of a minister plenipotentiary to Prussia, with which we had little or no commercial intercourse, offered an opportunity to determine this limitation. Harper said that this was a renewal of the old charge that foreign intercourse was unnecessary, and the old suggestion that our commerce ought to be given up or left to shift for itself. Mr. Gallatin laid down extreme theories which have never yet found practical application. He took the question at once from party or personal ground by admitting that the government was essentially pure, its patronage not

extensive, or its effect upon the legislative or any other branch of the government as yet material. The Constitution had placed the patronage in the executive. There he thought it was wisely placed. The legislature would be more corrupt than the executive were it placed with them. While not willing at once to give up political foreign intercourse, he thought that it should by degrees be altogether declined. To it he ascribed the critical situation of the country. Commercial intercourse could be protected by the consular system. He then argued that the power to provide for expenses was the check intended by the Constitution. To this Griswold answered that this doctrine of checks contained more mischief than Pandora's box; Bayard, that the checks were all directed to the executive, and that they would check and counter-check until they *stopped the wheels of government*.[6] When the President was manacled and at the mercy of the House they would be satisfied. He held the executive to be the weakest branch of the government, because its powers are defined; but the limits of the House are undefined.

As the debate advanced, Nicholas declared that the purpose of the Republicans was to define the executive power and to put an end to its extension through their power over appropriations. Later he would bring in a motion to do away with all foreign intercourse. Goodrich answered that the office of foreign minister was created by the Constitution itself, and the power of appointment was placed in the President. The House might speculate upon the propriety of doing away with all intercourse with foreign powers, but could not decide on it, for political intercourse did not depend on the sending of ministers abroad. Foreign ministers would come here and the Constitution required their reception. The idea that we should have no foreign intercourse was taken from Washington's Farewell Address, but his words applied only to alliances offensive and defensive. If ministers were abandoned, envoys extraordinary must be sent, a much more dangerous practice; the only choice was between ministers and spies. In conclusion he accused the Republicans of making one continuous attack upon the administration, and charged that the opposition to the appropriation bill was not a single measure, but connected with others, and intended to clog the wheels of government.

The purpose of the Republicans being thus declared by Nicholas and squarely met by the friends of the administration, Mr. Gallatin, March 1, 1798, summed up the opposition arguments in an elaborate speech three hours and a quarter in length. He denied the novel doctrine that each department had checks within itself, but none upon others; he claimed that the principle of checks is admitted in all mixed governments. Commercial intercourse, he said, is regulated by the law of nations, by the municipal law of respective countries and by treaties of commerce, the application of which is the province of consuls. What advantages, he asked, had our commercial treaties given us, either that with France or that with England? He excepted that part of the treaty with Great Britain which arranged our difference with that power, as foreign to the discussion. He claimed that the restriction which we had laid upon ourselves by our commercial treaties had been attended with political consequences fatal to our tranquillity. Washington had advised a separation of our political from our commercial relations. The message of President Adams intimated a different policy and alluded to the balance of power in Europe as not to be forgotten or neglected. Interesting as that balance may be to Europe, how does it concern us? We shall never throw our weight into the scale. Passing from this to the danger of the absorption of powers by the executive, he cited the examples of the Córtes of Spain, the États Généraux of France, the Diets of Denmark. In all these countries the executive is in possession of legislative, of absolute powers. The fate of the European republics was similar. Venice, Switzerland, and Holland had shown the legislative powers merging into the executive. The object of the Constitution of the United States is to divide and distribute the powers of government. With uncontrolled command over the purse of the people the executive tends to prodigality, to taxes, and to wars. He closed with a hope that a fixed determination to prevent the increase of the national expenditure, and to detach the country from any connection with European politics, would tend to reconcile parties, promote the happiness of America, and conciliate the affection of every part of the Union. No such admirable exposition of the true American doctrine of non-interference with European politics had at that time been heard in Congress.

In reply, Harper insisted on the admission that the purpose of the amendment of Nicholas was to restrain the President; that it was a question of power, not of money. Mr. Gallatin admitted the right of appointment, but denied that the House was bound to appropriate. Harper rejoined that the offices did not originate with the President but with the Constitution, and that they could not be destroyed by the action of the House, and, leaving the general ground of debate, made a brilliant attack upon the Republicans as revolutionists, whom he divided into three classes: the philosophers, the Jacobins, and the *sans-culottes*. The philosophers are most to be dreaded. “They declaim with warmth on the miseries of mankind, the abuses of government, and the vices of rulers; all which they engage to remove, providing their theories should once be adopted. They talk of the perfectibility of man and of the dignity of his nature; and, entirely forgetting what he is, declaim perpetually about what he should be.” Of Jacobins there are plenty. They profit by the labors of others; tyrants in power, demagogues when not. Fortunately for America there are few or no *sans-culottes* among her inhabitants. Jefferson, he said, returned from France a missionary to convert Americans to the new faith, and he charged that the system of French alliance and war with Great Britain by the United States was a part of the scheme of the French revolutionists, and was imported into this country. Gallatin and his friends he regarded in the light of an enemy who has commenced a siege against the fortress of the Constitution.

The restricting amendment was lost, and the bill passed by a vote of 52 yeas to 43 nays. Nor is it easy to see how the theory of Mr. Gallatin with regard to diplomatic relations could have been applied successfully with the existing channels of intercourse. Now that the ocean cable brings governments into direct relation with each other, there is a tendency to restrict the authority of

ambassadors, for whom there is no longer need, and the entire system will no doubt soon disappear. Mr. Gallatin's speech was the delight of his party and his friends. He was called upon to write it out, and two thousand copies of it were circulated as the best exposition of Republican doctrine.

Early in February the President informed Congress of certain captures and outrages committed by a French privateer within the limits of the United States, including the burning of an English merchantman in the harbor of Charleston. On March 19, in a further special message, he communicated dispatches from the American envoys in France, and also informed Congress that he should withdraw his order forbidding merchant vessels to sail in an armed condition. A collision might, therefore, occur at any moment.

On March 27, 1798, a resolution was introduced that it is not now expedient for the United States to resort to war against the French Republic; a second, to restrict the arming of merchant vessels; and a third, to provide for the protection of the seacoast and the internal defense of the country. Speaking to the first resolution, Mr. Gallatin said that the United States had arrived at a crisis at which a stand must be made, when the House must say whether it will resort to war or preserve peace. If to war, the expense and its evils must be met; if peace continue, then the country must submit: in either case American vessels would be taken. It was a mere matter of calculation which course would best serve the interest and happiness of the country. If he could separate defensive from offensive war, he should be in favor of it; but he could not make the distinction, and therefore he should be in favor of measures of peace. The act of the President was a war measure. Members of the House so designated it in letters to their constituents.

On April 2 the President was requested to communicate the instructions and dispatches from the envoys extraordinary, mention of which he had made in his message of March 19. Gallatin supported the call. He said that the President was not afraid of communicating information, as he had shown in the preceding session, and that to withhold it would endanger the safety of our commerce, or prevent the happy issue of negotiation. On April 3 Mr. Gallatin presented a petition against hazarding the neutrality and peace of the nation by authorizing private citizens to arm and equip vessels. This was signed by forty members of the Pennsylvania legislature. Protests of a similar character were presented from other parts of the country. On the same day the President sent in the famous X Y Z dispatches, in confidence. These letters represented the names of Hottinguer, Bellamy, and Hauteval, the agents of Talleyrand, the foreign minister of the First Consul, which were withheld by the President. The mysterious negotiations contained a distinct demand by Talleyrand of a douceur of 1,200,000 livres to the French officials as a condition of peace. The effect was immediately to strengthen the administration, Dayton, the speaker, passing to the ranks of the Federalists.

On the 18th the Senate sent down a bill authorizing the President to procure sixteen armed vessels to act as convoys. Gallatin still held firm. He admitted that from the beginning of the European contest the belligerent powers had disregarded the law of nations and the stipulations of treaties, but he still opposed the granting of armed convoys, which would lead to a collision. Let us not, he said, act on speculative grounds; if our present situation is better than war, let us keep it. Better even, he said, suffer the French to go on with their depredations than to take any step which may lead to war.

Allen of Connecticut read a passage from the dispatches which envenomed the debate. By it one of the French agents appears to have warned the American envoys that they were mistaken in supposing that an exposition of the unreasonable demands of France would unite the people of the United States. He said, “You should know that the *diplomatic skill* of France and the *means* she possesses in your country are sufficient to enable her, with the *French party* in America, to throw the blame which will attend the rupture of the negotiations on the *Federalists*, as you term yourselves, but on the *British party*, as France terms you, and you may assure yourselves this will be done.” Allen then charged upon Gallatin that his language was that of a foreign agent. Gallatin replied that the representatives of the French Republic in this country had shown themselves to be the worst diplomatists that had ever been sent to it, and he asked why the gentlemen who did not come forward with a declaration of war (though they were willing to go to war without the declaration) charge their adversaries with meaning to submit to France. France might declare war or give an order to seize American vessels, but as long as she did not, some hope remained that the state of peace might not be broken; and he said in conclusion "that, notwithstanding all the violent charges and personal abuse which had been made against him, it would produce no difference in his manner of acting, neither prevent him from speaking against every measure which he thought injurious to the public interest, nor, on the other hand, inflame his mind so as to induce him to oppose measures which he might heretofore have thought proper.”

The war feeling ran high in the country; “Millions for defense, but not one cent for tribute,”[7] was the popular cry. On May 28 Mr. Harper introduced a bill to suspend commercial intercourse with France. Gallatin thought this a doubtful measure. Its avowed purpose was to distress France in the West Indies, but he said that in six months that entire trade would be by neutral vessels. In the discussion on the bill to regulate the arming of merchant vessels, he showed that it was the practice of neutral European nations to allow such vessels to arm, but not to regulate their conduct. Bonds are required in cases of letter of marque, and the merchant who arms is bound not to break the laws of nations or the agreements of treaties. Restriction was therefore unnecessary. Government should not interfere. Commercial intercourse with France was suspended June 13.

In the pride of their new triumph and the intensity of their personal feeling the Federalists overleaped their mark, and began a series of measures which ultimately cost them the possession

of the government and their political existence. The first of these was the Sedition Bill, which Jefferson believed to be aimed at Gallatin in person. Mr. Gallatin met it at its inception with a statement of the constitutional objections, viz., 1st, that there was no power to make such a law, and 2d, the special provision in the Constitution that the writ of *habeas corpus* shall not be suspended except in cases of rebellion and invasion. There was neither. The second, the Alien Bill, gave the President power to expel from the country all aliens. Over this measure Gallatin and Harper had hot words. Gallatin charged upon Harper not only a misrepresentation of the arguments of his opponents, but an arraignment of the motives of others, while claiming all purity for his own. Harper answered in words which show that Gallatin, for once, had met warmth with warmth, and anger with anger. When, Harper said, a gentleman, who is usually so cool, all at once assumes such a tone of passion as to forget all decorum of language, it would seem as if the observation had been properly applied. On the vote to strike out the obnoxious sections, the Federalists defeated their antagonists, and on June 21 the bill itself was passed with all its odious features by 46 to 40.

On June 21 President Adams sent in a message with letters from Gerry, who had remained at Paris after the return of Marshall and Pinckney, on the subject of a loan. They contained an intimation from Talleyrand that he was ready to resume negotiations. In this message Adams said, “I will never send another minister to France without assurances that he will be received, respected, and honored as the representative of a great, free, powerful, and independent nation.” On the 25th an act was passed authorizing the commanders of merchant vessels to defend themselves against search and seizure under regulations by the President. On June 30 a further act authorized the purchase and equipment of twelve vessels as an addition to the naval armament. To all intents and purposes a state of war between the two countries already existed.

The 4th of July (1798) was celebrated with unusual enthusiasm all over the United States, and the black cockade was generally worn. This was the distinctive badge of the Federalists, and a response to the tricolor which Adet had recommended all French citizens to wear in 1794.

On July 5 a resolution was moved to appoint a committee to consider the expediency of declaring, by legislative act, the state of relations between the United States and the French Republic. Mr. Gallatin asked if a declaration of war could not be moved as an amendment, but the speaker, Mr. Dayton, made no reply. Mr. Gallatin objected that Congress could not declare a state of facts by a legislative act. But this view, if tenable then, has long since been abandoned. In witness of which it is only necessary to name the celebrated resolution of the Congress of 1865 with regard to the recognition of a monarchy in Mexico. July 6 the House went into committee of the whole on the state of the Union to consider a bill sent down by the Senate abrogating the treaty with France. The bill was passed on the 16th by a vote of 47 ayes to 37 nays, Gallatin voting in the negative. The House adjourned the same day.

While thus engaged in debates which called into exercise his varied information and displayed not only the extent of his learning but his remarkable powers of reasoning and statement, Mr. Gallatin never lost sight of reform in the administration of the finances of the government. To the success of his efforts to hold the Treasury Department to a strict conformity with his theory of administration, Mr. Wolcott, the secretary, gave ample if unwilling testimony. To Hamilton he wrote on April 5, 1798, “The management of the Treasury becomes more and more difficult. The legislature will not pass laws in gross; their appropriations are minute. Gallatin, to whom they yield, is evidently intending to break down this department by charging it with an impracticable detail.”

During these warm discussions Gallatin rarely lost his self-control. Writing to his old friend Lesdernier at this period, he said, “You may remember I am blessed with a very even temper; it has not been altered by time or politics.”

The third session of the fifth Congress opened on December 3, 1798. On the 8th, when the President was expected, Lieutenant-General Washington and Generals Pinckney and Hamilton entered the hall and took their places on the right of the speaker's chair. They had been recently appointed to command the army of defense.

The President's speech announced no change in the situation. “Nothing,” he said, “is discoverable in the conduct of France which ought to change or relax our measures for defense. On the contrary, to extend and invigorate them is our true policy. An efficient preparation for war can alone insure peace. It must be left to France, if she is indeed desirous of accommodation, to take the requisite steps. The United States will steadily observe the maxims by which they have hitherto been governed.” The reply to this patriotic sentiment was unanimously agreed to, and was most grateful to Adams, who thanked the House for it as “consonant to the characters of representatives of a great and free people.”

On December 27 a peculiar resolution was introduced to punish the usurpation of the executive authority of the government of the United States in carrying on correspondence with the government of any foreign prince or state. Gallatin thought this resolution covered too much ground. The criminality of such acts did not lie in their being usurpations, but in the nature of the crime committed. There was no authority in the Constitution for a grant of such a power to the President. To afford aid and comfort to the enemy was treason, but there was no war, and therefore no enemy. He claimed the right to himself and others to do all in his power to secure a peace, even by correspondence abroad, and he would not admit that the ground taken by the

friends of the measure was a proper foundation for a general law. A committee was, however, appointed, in spite of this remonstrance, to consider the propriety of including in the general act all persons who should commence or carry on a correspondence, by a vote of 65 to 23. A bill was reported on January 9, when Gallatin endeavored to attach a proviso that the law should not operate upon persons seeking justice or redress from foreign governments; but his motion was defeated by a vote of 48 to 37. Later, however, a resolution of Mr. Parker, that nothing in the act should be construed to abridge the rights of any citizen to apply for such redress, was adopted by a vote of 69 yeas to 27 nays. On this vote Harper voted yea. Griswold, Otis, Bayard, and Goodrich were found among the nays. Gallatin succeeded in carrying an amendment defining the bill, after which it was passed by a vote of 58 to 36.

Towards the close of January, 1799, a bill was brought in authorizing the President to discontinue the restraints of the act suspending intercourse with the French West India Islands, whenever any persons in authority or command should so request. This was to invite a secession of the French colonies from the mother country. Gallatin deprecated any action which might induce rebellion against authority, or lead to self-government among the people of the islands who were unfit for it. Moreover, such action would remove still further every expectation of an accommodation with France. The bill was passed by a vote of 55 to 37. He objected to the bill to authorize the President to suspend intercourse with Spanish and Dutch ports which should harbor French privateers, as placing an unlimited power to interdict commerce in the hands of the executive. The bill was carried by 55 to 37. On the question of the augmentation of the navy he opposed the building of the seventy-fours.

In February Edward Livingston presented a petition from aliens, natives of Ireland, against the Alien and Sedition laws. Numerous similar petitions followed; one was signed by 18,000 persons in Pennsylvania alone. To postpone consideration of the subject, the Federalists sent these papers to a select committee, against the protests of Livingston and Gallatin. This course was the more peculiar because of the reference of petitions of a similar character in the month previous to the committee of the whole. The Federalists were abusing their majority, and precipitating their unexpected but certain ruin. One more effort was made to repeal the offensive penal act; the constitutional objection was again pleaded, but the repeal was defeated by a vote of 52 in the affirmative. Mr. Gallatin opposed these laws in all their stages, but, failing in this, persistently endeavored to make them as good as possible before they passed. Jefferson later said that nothing could obliterate from the recollection of those who were witnesses of it the courage of Gallatin in the “Days of Terror.”[8] The vote of thanks to Mr. Dayton, the speaker, was carried by a vote of 40 to 22. On March 3, 1800, this Congress adjourned.

The sixth Congress met at Philadelphia on December 2, 1799. The Federalists were returned in full majority. Among the new members of the House, John Marshall and John Randolph appeared for Virginia. Theodore Sedgwick was chosen speaker. President Adams came down to the House on the 3d and made the usual speech. The address in reply, reported by a committee of which Marshall was chairman, was agreed to without amendment. Adams was again delighted with the very respectful terms adopted at the “first assembly after a fresh election, under the strong impression of the public opinion and national sense at this interesting and singular crisis.” At this session it was the sad privilege of Marshall to announce the death of Washington, “the Hero, the Sage, and the Patriot of America.” In the shadow of this great grief, party passion was hushed for a while.

Gallatin again led the Republican opposition; Nicholas and Macon were his able lieutenants. The line of attack of the Republicans was clear. If war could be avoided, the growing unpopularity of the Alien and Sedition laws would surely bring them to power. The foreign-born voter was already a factor in American politics. In January the law providing for an addition to the army was suspended. Macon then moved the repeal of the Sedition Law. He took the ground that it was a measure of defense. Bayard adroitly proposed as an amendment that “the offenses therein specified shall remain punishable as at common law, provided that upon any prosecution it shall be lawful for the defendant to give as his defense the truth of the matter charged as a libel.” Gallatin called upon the chair to declare the amendment out of order, as intended to destroy the resolution, but the speaker declined, and the amendment was carried by a vote of 51 to 47. The resolution thus amended was then defeated by a vote of 87 to 1. The Republicans preferred the odious act in its original form rather than accept the Federal interpretation of it.

On February 11, 1800, a bill was introduced into Congress further to suspend commercial intercourse with France. It passed the House after a short debate by a vote of 68 yeas to 28 nays. On this bill the Republican leaders were divided. Nicholas, Macon, and Randolph opposed it; but Gallatin, separating from his friends, carried enough of his party with him to secure its passage. Returned by the Senate with amendments, it was again objected to by Macon as fatal to the interests of the Southern States, but the House resolved to concur by a vote of 50 to 36.

In March the country was greatly excited by the news of an engagement on the 1st of February, off Guadaloupe, between the United States frigate Constellation, thirty-eight guns, and a French national frigate, La Vengeance, fifty-four guns. The House of Representatives called on the secretary of the navy for information, and, by 84 yeas to 4 nays, voted a gold medal to Captain Truxton, who commanded the American ship. John Randolph's name is recorded in the negative.

Notwithstanding this collision, the relations of the United States and France were gradually

assuming a kindlier phase. The Directory had sought to drive the American government into active measures against England. Bonaparte, chosen First Consul, at once adopted a conciliatory tone. Preparing for a great continental struggle, he was concentrating the energies and the powers of France. In May Mr. Parker called the attention of the House to this change of conduct in the French government and offered a resolution instructing the Committee on Commerce to inquire if any amendments to the Foreign Intercourse Act were necessary. Macon moved to amend so that the inquiry should be whether it were not expedient to repeal the act. Gallatin opposed the resolution on the ground that it was highly improper to take any measures at the present time which would change the defensive system of the country. The resolution was negatived,—43 nays to 40 yeas.

One singular opposition of Gallatin is recorded towards the close of the session; the Committee on the Treasury Department reported an amendment to the act of establishment, providing that the secretary of the treasury shall lay before Congress, at the commencement of every session, a report on finance with plans for the support of credit, etc. Gallatin and Nicholas opposed this bill, because it came down from the Senate, which had no constitutional right to originate a money bill; but Griswold and Harper at once took the correct ground that it was not a bill, but a report on the state of the finances, in which the Senate had an equal share with the House. The bill was passed by a vote of 43 to 39. It is worthy of note that the first report on the state of the finances communicated under this act was by Mr. Gallatin himself the next year, and that it was sent in to the Senate. The House adjourned on May 14, 1800.

The second session of the sixth Congress was held at the city of Washington, to which the seat of government had been removed in the summer interval. After two southerly migrations they were now definitively established at a national capital. The session opened on November 17, 1800. On the 22d President Adams congratulated Congress on “the prospect of a residence not to be changed.” The address of the House in reply was adopted by a close vote.

The situation of foreign relations was changed. The First Consul received the American envoys cordially, and a commercial convention was made but secured ratification by the Senate only after the elimination of an article and a limitation of its duration to eight years. While the bill was pending in the Senate, Mr. Samuel Smith moved to continue the act to suspend commercial intercourse with France. Mr. Gallatin opposed this motion; at the last session he had voted for this bill because there was only the appearance of a treaty. Now that the precise state of negotiation was known, why should the House longer leave this matter to the discretion of the President? The House decided to reject the indiscreet bill by a vote of 59 to 37. An effort was also made to repeal a part of the Sedition Law, and continue the rest in force, but the House refused to order the engrossing of the bill, taking wise counsel of Dawson, who said that, supported by the justice and policy of their measures, the approaching administration would not need the aid of either the alien, sedition, or common law. The opponents of the bill would not consent to any modification. The last scenes of the session were of exciting interest.

Freed from the menace of immediate war, the people of plain common sense recognized that the friendship of Great Britain was more dangerous than the enmity of France. They dreaded the fixed power of an organized aristocracy far more than the ephemeral anarchy of an ill-ordered democracy; they were more averse to class distinctions protected by law than even to military despotism which destroyed all distinctions, and they preferred, as man always has preferred and always will prefer, personal to political equality. The Alien and Sedition laws had borne their legitimate fruit. The foreign-born population held the balance of power; a general vote would have shown a large Republican or, it is more correct to say, anti-Federalist majority. But the popular will could not be thus expressed. Under the old system each elector in the electoral college cast his ballot for president and vice-president without designation of his preference as to who should fill the first place. New England was solid for Adams, who, however, had little strength beyond the limits of this Federal stronghold. New York and the Southern States with inconsiderable exceptions were Republican. Pennsylvania was so divided in the legislature that her entire vote would have been lost but for a compromise which gave to the Republicans one vote more than to the Federalists. Adams being out of the question, the election to the first place lay between Jefferson and Burr, both Republicans. The Federalists, therefore, had their option between the two Republican candidates, and the result was within the reach of that most detestable of combinations, a political bargain. Mr. Gallatin's position in this condition of affairs was controlling. His loyalty to Jefferson was unquestioned, while Burr was the favorite of the large Republican party in New York whose leaders were Mr. Gallatin's immediate friends and warm supporters. Both Jefferson and Burr were accused of bargaining to secure enough of the Federalist vote to turn the scale. That Mr. Jefferson did make some sacrifice of his independence is now believed. Whether Mr. Gallatin was aware of any such compromise is uncertain. If such bargain were made, General Samuel Smith was the channel of arrangement, and in view of the inexplicable and ignominious deference of Jefferson and Madison to his political demands, there is little doubt that he held a secret power which they dared not resist. Gallatin felt it, suffered from it, protested against it, but submitted to it.

The fear was that Congress might adjourn without a conclusion. To meet this emergency Mr. Gallatin devised a plan of balloting in the House, which he communicated to Mr. Jefferson and Mr. Nicholas. It stated the objects of the Federalists to be, 1st, to elect Burr; 2d, to defeat the present election and order a new one; 3d, to assume *executive* power during the interregnum. These he

considers, and suggests alternative action in case of submission or resistance on the part of the Republicans. The Federalists, holding three branches of government, viz., the presidency, a majority in the Senate, and a majority in the House, might pass a law declaring that one of the great officers designated by the Constitution should act as president pro tempore, which would be constitutional. But while Mr. Gallatin in this paragraph admitted such a law to be constitutional, in the next he argued that the act of the person designated by law, or of the president pro tempore, assuming the power is clearly “unconstitutional.” By this ingenious process of reasoning, to which the strict constructionists have always been partial, it might be unconstitutional to carry out constitutional law. The assumption of such power was therefore, Mr. Gallatin held, usurpation, to be resisted in one of two ways; by declaring the interval till the next session of Congress an interregnum, allowing all laws not immediately connected with presidential powers to take their course, and opposing a silent resistance to all others; or by the Republicans assuming the executive power by a joint act of the two candidates, or by the relinquishment of all claims by one of them. On the other hand, the proposed outlines of Republican conduct were, 1st, to persevere in voting for Mr. Jefferson; 2d, to use every endeavor to defeat any law on the subject; 3d, to try to persuade Mr. Adams to refuse his consent to any such law and not to call the Senate on any account if there should be no choice by the House.

In a letter written in 1848 Mr. Gallatin said that a provision by law, that if there should be no election the executive power be placed in the hands of some public officer, was a revolutionary act of usurpation which would have been put down by force if necessary. It was threatened that, if any man should be thus appointed President he should instantly be put to death, and bodies of men were said to be organized, in Maryland and Virginia, ready to march to Washington on March 4 for that purpose. The fears of violence were so great that to Governor McKean of Pennsylvania was submitted the propriety of having a body of militia in readiness to reach the capital in time to prevent civil war. From this letter of Mr. Gallatin, then the last surviving witness of the election, only one conclusion can be drawn: that the Republicans would have preferred violent resistance to temporary submission, even though the officer exercising executive powers was appointed in accordance with law. Fortunately for the young country there was enough good sense and patriotism in the ranks of the Federalists to avert the danger.

On the suggestion of Mr. Bayard it was agreed by a committee of sixteen members, one from each State, that if it should appear that the two persons highest on the list, Jefferson and Burr, had an equal number of votes, the House should immediately proceed in their own chamber to choose the president by ballot, and should not adjourn until an election should have been made. On the first ballot there was a tie between Jefferson and Burr; the deadlock continued until February 17, when the Federalists abandoned the contest, and Mr. Jefferson received the requisite number of votes. Burr, having the second number, became vice-president.

Mr. Gallatin's third congressional term closed with this Congress. In his first term he asserted his power and took his place in the councils of the party. In his second, he became its acknowledged chief. In the third, he led its forces to final victory. But for his opposition, war would have been declared against France, and the Republican party would have disappeared in the political chasm. But for his admirable management, Mr. Jefferson would have been relegated to the study of theoretical government on his Monticello farm, or to play second fiddle at the Capitol to the music of Aaron Burr.

In the foregoing analysis of the debates and resolutions of Congress, and the recital of the part taken in them by Mr. Gallatin, attention has only been paid to such of the proceedings as concerned the interpretation of the Constitution or the forms of administration with which Mr. Gallatin interested himself. From the day of his first appearance he commanded the attention and the respect of his fellows. The leadership of his party fell to him as of course. It was not grasped by him. He was never a partisan. He never waived his entire independence of judgment. His ingenuity and adroitness never tempted him to untenable positions. Hence his party followed him with implicit confidence. Yet while the debates of Congress, imperfectly reported as they seem to be in its annals, show the deference paid to him by the Republican leaders, and display the great share he took in the definition of powers and of administration as now understood, his name is hardly mentioned in history. Jefferson and Madison became presidents of the United States. They, with Gallatin, formed the triumvirate which ruled the country for sixteen years. Gallatin was the youngest of the three.[9] To this political combination Gallatin brought a knowledge of constitutional law equal to their own, a knowledge of international law superior to that of either, and a habit of practical administration of which they had no conception. The Republican party lost its chief when Gallatin left the House; from that day it floundered to its close.

In the balance of opinion there are no certain weights and measures. The preponderance of causes cannot be precisely ascertained. The freedom which the people of the United States enjoy to-day is not the work of any one party. Those who are descended from its original stock, and those whom its free institutions have since invited to full membership, owe that freedom to two causes: the one, formulated by Hamilton, a strong, central power, which, deriving its force from the people, maintains its authority at home and secures respect abroad; the other, the spirit of liberty which found expression in the famous declaration of the rights of man. This influence Jefferson represented. It taught the equality of man; not equality before the law alone, nor yet political equality, but that absolute freedom from class distinction which is true social equality; in a word, mutual respect. But for Hamilton we might be a handful of petty States, in discordant confederation or perpetual war; but for Jefferson, a prey to the class jealousy which unsettles the social relations and threatens the political existence of European States.

FOOTNOTES:

[4] Lord Sheffield to Mr. Abbott, November 6, 1812. *Correspondence of Lord Colchester*, ii. 409.

[5] Gallatin later described Jackson as he first saw him in his seat in the House: “A tall, lank, uncouth looking individual, with long locks of hair hanging over his brows and face, while a queue hung down his back tied in an eelskin. The dress of this individual was singular, his manners and deportment that of a backwoodsman.” Bartlett's *Reminiscences of Gallatin*.

[6] The phrase “stop the wheels of government” originated with “Peter Porcupine” (William Cobbett) and was on every tongue.

[7] Charles C. Pinckney, when ambassador to France, 1796.

[8] Jefferson to William Duane, March 28, 1811. Jefferson's *Works*, vol. v. p. 574.

[9] Jefferson was born in 1743, Madison in 1751, Gallatin in 1761.

CHAPTER VI

ToC

SECRETARY OF THE TREASURY

Funding

The material comfort of every people depends more immediately upon the correct management of its finances than upon any other branch of government. *Haute finance*, to use a French expression for which there is no English equivalent, demands in its application the faculties of organization and administration in their highest degree. The relations of money to currency and credit, and their relations to industry and agriculture, or in modern phrase of capital to labor, fall within its scope. The history of France, the nation which has best understood and applied true principles of finance, supplies striking examples of the benefits a finance minister of the first order renders to his country, and the dangers of false theories. The marvelous restoration of its prosperity by the genius of Colbert, the ruin caused by the malign sciolism of Law, are familiar to all students of political economy. Nor has the United States been less favored. The names of Morris, Hamilton, Gallatin, and Chase shine with equal lustre.

Morris, the Financier of the Revolution, was called to the administration of the money department of the United States government when there was no money to administer. Before his appointment as “Financier” the expenses of the government, military and civil, had been met by expedients; by foreign loans, lotteries, and loan office certificates; finally by continental money, or, more properly speaking, bills of credit emitted by authority of Congress and made legal tender by joint action of Congress and the several States. The relation of coin to paper in this motley currency appears in the appendix to the “Journal of Congress” for the year 1778, when the government paid out in fourteen issues of paper currency, $62,154,842; in specie, $78,666; in French livres, $28,525.[10] The power of taxation was jealously withheld by the States, and Congress could not go beyond recommending to them to levy taxes for the withdrawal of the bills emitted by it for their quotas, *pari passu* with their issue. When the entire scheme of paper money failed, the necessary supplies for the army were levied in kind. In the spring of 1781 the affairs of the Treasury Department were investigated by a committee of Congress, and an attempt was made to ascertain the precise condition of the public debt. The amount of foreign debt was approximately reached, but the record of the domestic debt was inextricably involved, and never definitely discovered. Morris soon brought order out of this chaos. His plan was to liquidate the public indebtedness in specie, and fund it in interest-bearing bonds. The Bank of North America was established, the notes of which were soon preferred to specie as a medium of exchange. Silver, then in general use as the measure of value, was adopted as the single standard. The weight and pureness of the dollar were fixed by law. The dollar was made the unit of account and payment, and subdivisions were made in a decimal ratio. This was the dollar of our fathers. Gouverneur Morris, the assistant of the Financier, suggested the decimal computation, and Jefferson the dollar as the unit of account and payment. The board of treasury, which for five years had administered the finances in a bungling way, was dissolved by Congress in the fall of 1781, and Morris was left in sole control. Semi-annual statements of the public indebtedness were now begun. The expenses of the government were steadily and inflexibly cut down to meet the diminishing income. A loan was negotiated in Holland, and, with the aid of Franklin, the amount of indebtedness to France was established.

The public debt on January 1, 1783, was $42,000,375, of which $7,885,088 was foreign, bearing four and five per cent. interest; and $34,115,290 was held at home at six per cent. The total amount of interest was $2,415,956. No means were provided for the payment of either principal or interest. In July of the previous year Morris urged the wisdom of funding the public debt, in a masterly letter to the president of Congress. On December 16 a sinking fund was provided for by a resolution, which, though inadequate to the purpose, was at least a declaration of principle. In February, 1784, Morris notified Congress of his intended retirement from office. He may justly be termed the father of the American system of finance. In his administration he inflexibly maintained the determination, with which he assumed the office, to apply the public funds to the purpose to

which they were appropriated. He declared that he would “neither pay the interest of our debts out of the moneys which are called for to carry on the war, nor pay the expenses of the war from the funds which are called for to pay the interest of our debts.” One new feature of Morris's administration was the beginning of the sale of public lands.

On the retirement of Mr. Morris, November, 1784, a new board of treasury was charged with the administration of the finances, and continued in control until September 30, 1788, when a committee, raised to examine into the affairs of the department, rendered a pitiful report of mismanagement for which the board had not the excuse of their predecessors during the war. They had only to observe the precepts which Morris had enunciated, and to follow the methods he had prescribed, with the aid of the assistants he had trained. But the taxes collected had not been covered into the Treasury by the receivers. Large sums advanced for secret service were not accounted for; and the entire system of responsibility had been disregarded. John Adams attributed all the distresses at this period to “a downright ignorance of the nature of coin, credit and circulation;” an ignorance not yet dispelled. More truly could he have said that our distresses arose from willful neglect of the principle of accountability in the public service.

The first Congress under the new Constitution met at New York on March 4, 1789, but it was not until the autumn that the executive administration of the government was organized by the creation of the three departments: State, Treasury, and War.

The bill establishing the Treasury Department passed Congress on September 2, 1789. Hamilton was appointed secretary by Washington on September 11. On September 21 the House directed the secretary to examine into and report a financial plan. On the assembling of Congress, June 14, 1790, Hamilton communicated to the House his first report, known as that on public credit. The boldness of Hamilton's plan startled and divided the country. Funding resolutions were introduced into the House. The first, relating to the foreign debt, passed unanimously; the second, providing for the liquidation of the domestic obligations, was sharply debated, but in the end Hamilton's scheme was adopted. The resolutions providing for the assumption of the state debts, which he embodied in his report, aroused an opposition still more formidable, and it was not until August 4 that by political machinery this part of his plan received the assent of Congress. To provide for the interest on the debt and the expenses of the government, the import and navigation duties were raised to yield the utmost revenue available; but, in the temper of Congress, the excise law was not pressed at this session. The secretary had securely laid the foundations of his policy. Time and sheer necessity would compel the completion of his work in essential accord with his original design. The President's message at the opening of the winter session added greatly to the prestige of Hamilton's policy by calling attention to the great prosperity of the country and the remarkable rise in public credit. The excise law, modified to apply to distilled spirits, passed the House in January. The principle of a direct tax was admitted. On December 14, 1790, in obedience to an order of the House requiring the secretary to report further provision for the public credit, Hamilton communicated his plans for a national bank. Next in order came the establishment of a national mint. Thus in two sessions of Congress, and in the space of little more than a year from the time when he took charge of the Treasury, Hamilton conceived and carried to successful conclusion an entire scheme of finance.

One more measure in the comprehensive system of public credit crowned the solid structure of which the funding of the debt was the cornerstone. This was the establishment of the sinking fund for the redemption of the debt. Hamilton conformed his plan to the maxim, which, to use his words, “has been supposed capable of giving immortality to credit, namely, that with the creation of debts should be incorporated the means of extinguishment, which are twofold. 1st. The establishing, at the time of contracting a debt, funds for the reimbursement of the principal, as well as for the payment of interest within a determinate period. 2d. The making it a part of the contract, that the fund so established shall be inviolably applied to the object.” The ingenuity and skill with which this master of financial science managed the Treasury Department for more than five years need no word of comment. Nor do they fall within the scope of this outline of the features of his policy. His reports are the textbook of American political economy. Whoever would grasp its principles must seek them in this limpid source, and study the methods he applied to revenue and loans. Well might Webster say of him in lofty praise, “He smote the rock of national resources, and abundant streams of revenue gushed forth; he touched the dead corpse of Public Credit, and it sprung upon its feet.”

On the resignation of Hamilton, January 31, 1795, Washington invited Wolcott, who was familiar with the views of Hamilton and on such intimate terms with him that he could always have his advice in any difficult emergency, to take the post. Wolcott had been connected with the department from its organization, first as auditor, afterwards as comptroller of the Treasury. He held the Treasury until nearly the end of Adams's administration. On November 8, 1800, upon the open breach between Mr. Adams and the Hamilton wing of the Federal party, Wolcott, whose sympathies were wholly with his old chief, tendered his resignation, to take effect at the close of the year. On December 31 Mr. Samuel Dexter was appointed to administer the department. But the days of the Federal party were now numbered: it fell of its own dissensions, “wounded in the house of its friends.”

There is little in the administration of the finances by Wolcott to attract comment. He managed the details of the department with integrity and skill. On his retirement a committee of the House on the condition of the Treasury was appointed. No similar examination had been made since May 22, 1794. On January 28, 1801, Mr. Otis, chairman of the committee, submitted the results of the investigation in an unanimous report that the business of the Treasury Department had been conducted with regularity, fidelity, and a regard to economy; that the disbursements of money had

always been made pursuant to law, and generally that the financial concerns of the country had been left by the late secretary in a state of good order and prosperity. During his six years of administration of the finances Wolcott negotiated six loans, amounting in all to $2,820,000. The emergencies were extraordinary,—the expenses of the suppression of the Whiskey Insurrection in 1794, and the sum required to effect a treaty of peace with Algiers in 1795. To fund these sums Mr. Wolcott had recourse to an expedient which marked an era in American finance. This was the creation of *new stock*, subscribed for at home. No loan had been previously placed by the government among its own citizens. Between 1795 and 1798, four and a half, five, and six per cent. stocks were created. In 1798 the condition of the country was embarrassing. There was a threatening prospect of war. Foreign loans were precarious and improvident; the market rate of interest was eight per cent. Under these circumstances an eight per cent. stock was created, not redeemable until 1809. An Act of March 3, 1795, provided for vesting in the sinking fund the surplus revenues of each year.

In the formation of the first Republican cabinet Mr. Gallatin was obviously Mr. Jefferson's first choice for the Treasury. The appointment was nevertheless attended with some difficulties of a political and party nature. The paramount importance of the department was a legacy of Hamilton's genius. Its possession was the Federalist stronghold, and the Senate, which held the confirming power, was still controlled by a Federalist majority. To them Mr. Gallatin was more obnoxious than any other of the Republican leaders. In the few days that he held a seat in the Senate (1793) he offended Hamilton, and aroused the hostility of the friends of the secretary by a call for information as to the condition of the Treasury. As member of Congress in 1796 he questioned Hamilton's policy, and during Adams's entire administration was a perpetual thorn in the sides of Hamilton's successors in the department. The day after his election, February 18, 1801, Mr. Jefferson communicated to Mr. Gallatin the names of the gentlemen he had already determined upon for his cabinet, and tendered him the Treasury. The only alternative was Madison; but he, with all his reputation as a statesman and party leader, was without skill as a financier, and in the debate on the Funding Bill in 1790 had shown his ignorance in the impracticability of his plans. If Jefferson ever entertained the thought of nominating Madison to the Treasury, political necessity absolutely forbade it. That necessity Mr. Gallatin, by his persistent assaults on the financial policy of the Federalists, had himself created, and he alone of the Republican leaders was competent to carry out the reforms in the administration of the government, and to contrive the consequent reduction in revenue and taxation, which were cardinal points of Republican policy. Public opinion had assigned Gallatin to the post, and the newspapers announced his nomination before Mr. Jefferson was elected, and before he had given any indication of his purpose. To his wife Mr. Gallatin expressed some doubt whether his abilities were equal to the office, and whether the Senate would confirm him, and said, certainly with sincerity, 'that he would not be sorry nor hurt in his feelings if his nomination should be rejected, for exclusively of the immense responsibility, labor, etc., attached to the intended office, another plan which would be much more agreeable to him and to her had been suggested, not by his political friends, but by his New York friends.' He was by no means comfortable in his finances, and he had already formed a plan of studying law and removing to New York. He had made up his mind to leave the western country, which would necessarily end his congressional career. His wife was forlorn in his absence, and suffered so many hardships in her isolated residence that he felt no reluctance to the change. To one of his wife's family he wrote at this time:—

> “As a political situation, the place of secretary of the treasury is doubtless more eligible and congenial to my habits; but it is more laborious and responsible than any other, and the same industry which will be necessary to fulfill its duties, applied to another object, would at the end of two years have left me in the possession of a profession which I might have exercised either in Philadelphia or New York. But our plans are all liable to uncertainty, and I must now cheerfully undertake that which had never been the object of my ambition or wishes.”

Well might he hesitate as he witnessed the distress which had overtaken the great party which for twelve years had held the posts of political honor. Fortunately, perhaps for himself and certainly for his party and the country, the proposition came at a time when he had definitively determined upon a change of career. His situation was difficult. The hostility of the Federal senators, and the great exertions which were being made to defeat the appointment, led him to the opinion that, if presented on March 4, it would be rejected. There was the alternative of delay until after that date, which would involve a postponement of the confirmation until the meeting of Congress in December, but there was no certainty that it would then be ratified. Meanwhile he would be compelled to remove to Washington at some sacrifice and expense. He therefore at first positively refused “to come in on any terms but a confirmation by the Senate first given.” He was finally induced to comply with the general wish of his political friends. The appointment was withheld by the President that the feeling in the Senate might be judged from its action on the rest of the nominations submitted. They were all approved, and Mr. Dexter consented to hold over until his successor should be appointed. Thus Mr. Gallatin's convenience was entirely consulted. He remained in Washington a few days to confer with the President as to the general conduct of the administration, and on March 14 set out for Fayette to put his affairs in order and to bring his wife and family to Washington. On May 14 Jefferson wrote to Macon, “The arrival of Mr. Gallatin yesterday completed the organization of our administration.”

Mr. Gallatin soon realized the magnitude of his task. He did nothing by halves. To whatever work he had to do, he brought the best of his faculty. No man ever better deserved the epithet of “thorough.” He searched till he found the principle of every measure with which he had concern and understood every detail of its application. This perfect knowledge of every subject which he

investigated was the secret of his political success. As a committee man, he was incomparable. No one could be better equipped for the direction of the Treasury Department than he, but he was not satisfied with direction; he would manage also; and he went to the work with untiring energy. A quarter of a century later he said of it, in a letter to his son, “To fill that office in the manner I did, and as it ought to be filled, is a most laborious task and labor of the most tedious kind. To fit myself for it, to be able to understand thoroughly, to embrace and control all its details, took from me, during the two first years I held it, every hour of the day and many of the night and had nearly brought on a pulmonary complaint. I filled the office twelve years and was fairly worn out.”

Mr. Gallatin first drew public attention to his knowledge of finance in the Pennsylvania legislature. An extract from his memorandum of his three years' service gives the best account of this incident. In it appear the carefully matured convictions which he inflexibly maintained.

> “The report of the Committee of Ways and Means of the session 1790-1791 (presented by Gurney, chairman) was entirely prepared by me, known to be so, and laid the foundation of my reputation. I was quite astonished at the general encomiums bestowed upon it, and was not at all aware that I had done so well. It was perspicuous and comprehensive; but I am confident that its true merit, and that which gained me the general confidence, was its being founded in strict justice without the slightest regard to party feelings or popular prejudices. The principles assumed, and which were carried into effect, were the immediate reimbursement and extinction of the state paper money, the immediate payment in specie of all the current expenses or warrants on the Treasury (the postponement and uncertainty of which had given rise to shameful and corrupt speculations), and provision for discharging, without defalcation, every debt and engagement previously recognized by the State. In conformity with this, the State paid to its creditors the difference between the nominal amount of the state debt assumed by the United States and the rate at which it was funded by the act of Congress.
>
> “The proceeds of the public lands, together with the arrears, were the fund which not only discharged all the public debts, but left a large surplus. The apprehension that this would be squandered by the Legislature was the principal inducement for chartering the Bank of Pennsylvania with a capital of two millions of dollars, of which the State subscribed one half. This and similar subsequent investments enabled Pennsylvania to defray out of the dividends all the expenses of government without any direct tax during the forty ensuing years, and till the adoption of the system of internal improvement, which required new resources.”

This report was printed in the Journal of the House, February 8, 1791. The next year he made a report on the same subject which was printed February 22, 1792.

But his equal grasp of larger subjects was shown in his sketch of the finances of the United States, which he published in November, 1796. It presents under three sections the revenues, the expenses, and the debts of the United States, each subdivided into special heads. The arguments are supported by elaborate tabular statements. No such exhaustive examination had been made of the state of the American finances. The one cardinal principle which he laid down was the extinguishment of debt. He severely criticised Hamilton's methods of funding, and outlined those which he himself later applied. He charged upon Hamilton direct violations of law in the application of money, borrowed as principal, to the payment of interest on that principal. The public funds he regarded as three in number: 1st, the sinking fund; 2d, the surplus fund; 3d, the general fund.

In July, 1800, Mr. Gallatin published a second pamphlet, “Views of the Public Debt, Receipts, and Expenditures of the United States,” the object of the inquiry being to ascertain the result of the fiscal operations of the government under the Constitution. The entire field of American finance is examined from its beginning. He severely condemns the mode of assumption of the state debts in Hamilton's original plan, and no doubt his strictures are technically correct. The debts assumed for debtor States were not due by the United States, nor was there any moral reason for their assumption. But the assumption was sound financial policy, and all the cost to the nation was amply repaid by the order which their assumption drew out of chaos, and the vigor given to the general credit by the strengthening of that of its parts. The course of the Federalists and Republicans on this question shows that the former had at heart the welfare of all the States, while the latter confined their interest to their own body politic.

Had Mr. Gallatin never penned another line on finance, these two remarkable papers would place him in the first rank of economists and statisticians. There are no errors in his figures, no flaws in his reasoning, no faults in his deductions. In construction and detail, as parts of a complete financial system of administration, they are beyond criticism. Opinions may differ as to the ends sought, but not as to the means to those ends.

For a long period Mr. Gallatin found no more time for essays; he was now to apply his methods. These may be traced in his printed treasury reports, which are lucid and instructive. He was appointed to the Treasury on May 14, 1801, as appears by the official record in the State Department. Before he entered on the duties of the office he submitted to Mr. Jefferson, March 14, 1801, some rough sketches of the financial situation, and suggested the general outlines of his policy. He insisted upon a curtailment in the appropriations for the naval and military establishments, the only saving adequate to the repeal of all internal duties; and upon the discharge of the foreign debt within the period of its obligation. He estimated that the probable

receipts and expenditures for the year 1801 would leave a surplus of more than two millions of dollars applicable to the redemption of the debt.

On taking personal charge of the Treasury Department, his first business was to get rid of the arrears of current business which had accumulated since the retirement of Wolcott; his next, to perfect the internal revenue system, so far as it could be remedied without new legislation. The entire summer of 1801 was passed in “arranging, or rather procuring correct statements amongst the Treasury documents,” a task of such difficulty that he was unwilling, on November 15, to arrive at an estimate of the revenue within half a million, or to commit himself to any opinion as to the feasibility of abolishing the internal revenues. In his “notes” submitted to Jefferson upon the draft of his first message, there are several passages of interest which show Mr. Gallatin's logical habit of searching out economic causes. Under the head of finances, he remarks, “The revenue has increased more than in the same ratio with population: 1st, because our wealth has increased in a greater ratio than population; 2d, because the seaports and towns, which consume imported articles much more than the country, have increased in a greater proportion.” The final paragraph in these “notes” is a synopsis of his entire scheme of administration.

> “There is but one subject not mentioned in the message which I feel extremely anxious to see recommended. It is generally that Congress should adopt such measures as will effectually guard against misapplications of public moneys, by making specific appropriations whenever practicable; by providing against the application of moneys drawn from the Treasury under an appropriation to any other object or to any greater amount than that for which they have been drawn; by limiting discretionary power in the application of that money; whether by heads of department or by any other agents; and by rendering every person who receives public moneys from the Treasury as immediately, promptly, and effectually accountable to the accounting officer (the comptroller) as practicable. The great characteristic, the flagrant vice, of the late administration has been total disregard of laws, and application of public moneys by the Department to objects for which they were not appropriate.”

Outlines for a system of specific appropriations were inclosed.

That the mission of Jefferson's administration was the reduction of the debt, Gallatin set forth in his next letter of November 16, 1801. “I am firmly of opinion that if the present administration and Congress do not take the most effective measures for that object, the debt will be entailed on us and the ensuing generations, together with all the systems which support it, and which it supports.” On the other hand he says, “If this administration shall not reduce taxes, they never will be permanently reduced.” To reduce both the debt and the taxes was as much a political as a financial problem. To solve it required the reduction to a minimum of the departments of War and Marine. But Mr. Jefferson was not a practical statesman. His individuality was too strong for much surrender of opinion. He stated the case very mildly when he wrote in his retirement that he sometimes differed in opinion from some of his friends, from those whose views were as “pure and as sound as his own.” It was not his habit to consult his entire cabinet except on general measures. The heads of each department set their views before him separately. Under this system Mr. Gallatin was never able to realize that harmonious interdependence of departments and subordination of ways to means which were his ideal of cabinet administration.

The successful application of Mr. Gallatin's plan would have subordinated all the executive departments to the Treasury. The theory was perfect, but it took no account of the greed of office, the jealousies of friends, the opposition of enemies, and the unknown factor of foreign relations. A speck on the horizon would cloud the peaceful prospect, a hostile threat derange the intricate machinery by which the delicate financial balance was maintained. Mr. Gallatin was fast realizing the magnitude of his undertaking, in which he was greatly embarrassed by the difficulty of finding faithful examining clerks, on whose correctness and fidelity a just settlement of all accounts depends. The number of independent offices attached to the Treasury made the task still more arduous. He wrote to Jefferson at this time, “It will take me twelve months before I can thoroughly understand every detail of all these several offices. Current business and the more general and important duties of the office do not permit me to learn the lesser details, but incidentally and by degrees. Until I know them all I dare not touch the machine.” One of the acquirements which he considered indispensable for a secretary of the treasury was a “thorough knowledge of book-keeping.” The recollection of his persistent demands for information from Hamilton and Wolcott during his congressional career would have stung the conscience of an ordinary man. But Gallatin was not an ordinary man. He asked nothing of others which he himself was not willing to perform. His ideal was high, but he reached its summit. It seems almost as if, in his persistent demand that money accountability should be imposed by law upon the Treasury Department, he sought to set the measure of his own duty, while in the requirement that it should be extended to the other departments, he pledged himself to the perfect accomplishment of that duty in his own.

In his first report to Congress,[11] made December 18, 1801, Mr. Gallatin submitted his financial estimate for the year 1802.

Revenue.		Expenditures.	
Imposts	$9,500,000	Int. on debts.	$7,100,000
Lands}	450,000	Civil List	980,000
Postages}		Army	1,420,000
Internal Rev.	650,000	Navy	1,100,000

=========	=========
$10,600,000	$10,600,000

Mr. Wolcott, in his last report to the Commissioners of the Sinking Fund, stated the amount in the Treasury to its credit at $500,718. Mr. Gallatin denied that there was any such surplus, but said that instead of a credit balance the treasury books showed a deficiency of $930,128 on the aggregate revenue from the establishment of the government to the close of the year 1799. Elliott, in his “Funding System,” said concerning this once vexed controversy, that it was difficult to reconcile such a diversity of opinion on so intricate a subject; and concerning the official statements of Hamilton and Wolcott, that it was hardly to be credited that they were so superficial or imperfect. Mr. Gallatin himself furnishes the apology that the difference might arise from “entries made or omitted on erroneous principles.” To the Federal financiers the palliation was as offensive as the charge, and rankled long and sore. If it were not possible, when Elliott made an examination, to arrive at the precise facts, it is certainly now a secret as secure from discovery as the lost sibylline leaves.

Mr. Gallatin stated the debt of the United States—

On January 1, 1801, at	$80,161,207.60
On January 1, 1802, at	77,881,890.29
	==========
Reduction	$2,279,317.31

This difference was the amount of principal paid during the year 1801, the result of the management of his predecessors. On December 18, 1801, Mr. Gallatin entered upon an examination of the time in which the total debt might be discharged, and showed that, by the annual application of $7,300,000 to the principal and interest the debt would in eight years, *i. e.* on January 1, 1810, be reduced (by the payment of $32,289,000 of the principal) to $45,592,739, and that the same annual sum of $7,300,000 would discharge the whole debt by the year 1817. The revenues of the Union he found sufficient to defray all the current expenses. In his report to Congress at the beginning of the session he designated this sum of $7,300,000 to be set aside from the revenues, and Congress gave the requisite authority. An extract from a tabular statement submitted to the House of Representatives, April 16, 1810, will show how nearly Mr. Gallatin approached the result at which he aimed, and the nature of the embarrassment he encountered on the path.

Years.	Amount of Public Debt January 1st.	Payments on Principal.	Debt Contracted.	Annual Increase.	Annual Decrease.
1802	$80,712,632.25	$3,657,945.95	—	—	$3,657,948.95
1803	77,054,686.30	5,627,565.42	$15,000,000*	$9,372,434.58	—
1804	86,427,120.88	4,114,970.38	—	—	4,114,970.38
1805	82,312,150.50	6,588,879.84	—	—	6,588,879.84
1806	75,723,270.66	6,504,872.02	—	—	6,504,872.02
1807	69,218,398.64	4,022,080.67	—	—	4,022,080.67
1808	65,196,317.97	8,173,125.88	—	—	8,173,125.88
1809	57,023,192.09	3,850,889.77	—	—	3,850,889.77
1810	53,172,302.32	—	—	—	—

*Louisiana Purchase

1802	$80,712,632.25	Decrease	$36,912,764.51
1810	53,172,302.32	Increase	9,372,434.58
	$27,540,329.93	Decrease in 8 yrs.	$27,540,329.93

From this it appears that, notwithstanding the extraordinary increase of the principal by the amount of the Louisiana purchase, Mr. Gallatin contrived a reduction of $27,540,329. But if to this be added the true reduction for the year 1803, namely, the difference between the Louisiana debt, $15,000,000, and the increase for that year, by reason of that purchase, $9,372,434, say $6,627,565, the reduction is found to be, and but for that disturbing cause would have reached, $34,167,895, a sum exceeding by $1,878,895 that estimated by Mr. Gallatin in his report of 1801 as the amount of eight years' reduction, namely, $32,289,000.

The ways and means of this remarkable example of financial management appear in the following extracts from Elliott's synoptical statement (table given on page 194).

The purchase of Louisiana was the extraordinary financial measure of Jefferson's first presidential term. Though the new obligation for the consideration money, fifteen millions of dollars, was a large sum in proportion to the total existing debt of the United States, it did not in the least derange Gallatin's plan of funding and reduction, but was brought without friction within his general scheme. With the terms of the contract Gallatin had nothing to do. They were arranged by Livingston and Monroe, the American commissioners; the intervention of the houses of Hope and the Barings being a part of the understanding between the commissioners and the French government. These bankers engaged to make the money payments and take six per cent. stock of the United States at seventy-eight and one half cents on the dollar. With this price Mr. Gallatin does not seem to have been satisfied, though of course he interposed no objection to the terms; but to Jefferson he wrote, August 31, 1803, that the low price at which that stock had been sold,

was "not ascribable to the state of public credit nor to any act of your administration, and particularly of the Treasury Department;" and he adds in a postscript, “at that period our threes were in England worth one per cent. more at market than the English.”

RECEIPTS.

Four years ending December 31.	Customs.	Internal Revenue.	Direct Taxes.	Postage.	Public Lands.	Loans and Treasury Notes.	Dividends and sales of Bank Stock.	Miscellaneous.	Total.
Adams, 1800	$30,347,093.62	$2,808,382.37	$734,223.97	$223,000.00	$95,947.46	$7,055,791.25	$607,220.00	$168,971.76	$42,040,630.45
Jefferson, 1804	44,766,997.61	1,936,053.30	862,986.46	157,427.26	1,009,556.56	25,255.00	1,416,360.00	672,148.72	50,846,784.91
Jefferson, 1808	59,813,257.40	63,110.73	131,539.54	60,074.90	2,419,541.86	179,534.81	—	85,782.03	62,758,841.27
	104,580,255.01	1,999,146.03	994,526.00	217,502.10	3,429,098.42	205,089.81	1,416,360.00	757,930.75	113,605,626.18

EXPENDITURES.

Four years ending December 31.	Civil List.	Foreign Intercourse including Awards.	Miscellaneous.	Military Forts, etc.	Pensions.	Indian Department.	Naval Establishment.	Public Debt.	Total.
Adams, 1800	$2,329,433.08	$1,793,879.57	$621,633.37	$8,076,750.71	$356,677.06	$99,299.88	$8,070,777.52	$18,957,962.69	$40,306,413.88
Jefferson, 1804	2,297,648.17	3,144,093.00	1,169,601.87	4,549,572.11	301,968.66	279,500.00	5,432,049.15	32,258,658.68	49,433,091.64
Jefferson, 1808	2,616,772.77	5,441,669.24	1,721,876.87	6,126,656.97	316,806.16	849,700.00	6,853,673.79	32,927,739.85	56,854,985.65
	4,914,420.94	8,585,762.24	2,891,478.74	10,676,229.08	618,774.82	1,129,200.00	12,285,722.94	65,186,398.53	106,288,077.29

Adams—Receipts	$42,040,630.45	Jefferson—Receipts	$113,605,626.18
Adams—Expenditures	40,306,413.88	Jefferson—Expenditures	106,288,077.29
Under Wolcott, Secretary	1,734,216.57	Under Gallatin, Secretary	7,317,584.89[12]

Transcriber's Note: Some of the numbers in the above tables do not add up, but reflect the actual numbers given in the original document.

The arrangements being completed, Jefferson called Congress together in October, 1803, for a ratification of the treaty; the commissioners, by virtue of the authority granted them, had already guaranteed the advance by the Barings of ten million livres ($2,000,000). On October 25, 1803, Gallatin made a report to Congress on the state of the finances. It showed a reduction of the public debt in the two and one half years of his management, April 1, 1801, to September 30, 1803, of $12,702,404. The only question to be considered was whether any additional revenues were wanted to provide for the *new debt* which would result from the purchase of Louisiana.

The sum called for by treaty, fifteen millions, consisted of two items: 1st, $11,250,000 payable to the government of France in a stock bearing an interest of six per cent. payable in Europe, and the principal to be discharged at the Treasury of the United States; 2d, a sum which could not exceed, but might fall short of, $3,750,000, payable in specie at the Treasury of the United States to American citizens having claims of a certain description upon the government of France.

It is interesting here to note Mr. Gallatin's distinction between the place of payment of interest and of principal as a new departure in American finance. The principal and interest of foreign loans had up to that period been paid abroad. But a United States stock was an obligation of a different character and properly payable at home. In the large negotiations which Secretary Chase had in 1862 with the Treasury Note Committee of the Associated Banks,[13] this policy was matter of grave debate. The determined American pride of Mr. Chase prevailed, and both the principal *and interest* of the loans created were made payable at the Treasury of the United States. These may be small matters in their financial result, but are grave points in national policy.

The only financial legislation necessary to carry out the Louisiana purchase was a provision that $700,000 of the duties on merchandise and tonnage, a sum sufficient to pay the interest on the new debt, be added to the annual permanent appropriation for the sinking fund, making a sum of $8,000,000 in all.

The new debt would, Gallatin said, neither impede nor retard the payment of the principal of the old debt; and the fund would be sufficient, besides paying the interest on both, to discharge the principal of the old debt before the year 1818, and of the new, within one year and a half after that year. In this expectation he relied solely on the maintenance of the revenue at the amount of the year 1802, and in no way depended on its probable increase as a result of neutrality in the European war; nor on any augmentation by reason of increase of population or wealth, nor the effect which the opening of the Mississippi to free navigation might be expected to have on the sales of public lands and the general resources of the country.

In his report of December 9, 1805, Mr. Gallatin reviewed the results of his first four years of

service, April 1, 1801, to March 31, 1805.

	RECEIPTS
Duties on tonnage and importation of foreign merchandise	$45,174,837.22
From all other sources	5,492,629.82
	$50,667,467.04
	EXPENDITURES.
Civil list and miscellaneous	$3,786,094.79
Intercourse with foreign nations	1,071,437.84
Military establishment and Indian department	4,405,192.26
Naval establishment	4,842,635.15
Interest on foreign debt	16,278,700.95
Reimbursement of debt from surplus revenue	19,281,446.57
	$49,665,507.56

The Louisiana purchase and the admirable manner of its financial arrangement were important factors in Jefferson's reëlection. Mr. Gallatin was now sure of four years, at least, for the prosecution of his plan of redemption of the public debt. Estimating that with the increase of population at the rate of thirty-five per cent. in ten years, and the corresponding growth of the revenue, he could count upon a net annual surplus of $5,500,000, he now proposed to convert the several outstanding obligations into a six per cent. stock amounting, January 1, 1809, to less than *forty millions of dollars*, which the continued annual appropriation of $8,000,000 would, besides paying the interest on the Louisiana debt, reimburse within a period of less than seven years, or before the end of the year 1815. After that year no other incumbrance would remain on the revenue than the interest and reimbursement of the Louisiana stock, the last payment of which in the year 1821 would complete the final extinguishment of the public debt. The conversion act was passed February 1, 1807, and books were opened on July 1 following. On February 27, 1807, Mr. Gallatin made a special report on the state of the debt from 1801 to 1807, showing a diminution, notwithstanding the Louisiana purchase, of $14,260,000.

In the summer of 1807 war with England seemed inevitable. Gallatin had the satisfaction to report a full treasury,—the amount of specie October 7, 1807, reaching over eight and one half millions,—and an annual unappropriated surplus, which could be confidently relied upon, of at least three millions of dollars. On this subject his remarks in the light of subsequent history are of extreme interest. While refraining from any recommendations as to the application of this surplus, either to “measures of security and defense,” or to “internal improvements which, while increasing and diffusing the national wealth, will strengthen the bonds of union,” as “subjects which do not fall within the province of the Treasury Department,” he proceeds to consider the advantage of an accumulation in the Treasury. In this report he rises with easy flight far above the purely financial atmosphere into the higher plane of political economy.

> “A previous accumulation of treasure in time of peace might in a great degree defray the extraordinary expenses of war and diminish the necessity of either loans or additional taxes. It would provide during periods of prosperity for those adverse events to which every nation is exposed, instead of increasing the burthens of the people at a time when they are least able to bear them, or of impairing, by anticipations, the resources of ensuing generations....
>
> “That the revenue of the United States will in subsequent years be considerably impaired by a war neither can nor ought to be concealed. It is, on the contrary, necessary, in order to be prepared for the crisis, to take an early view of the subject, and to examine the resources which should be selected for supplying the deficiency and defraying the extraordinary expenses....
>
> “Whether taxes should be raised to a greater amount or loans be altogether relied on for defraying the expenses of the war, is the next subject of consideration.
>
> “Taxes are paid by the great mass of the citizens, and immediately affect almost every individual of the community. Loans are supplied by capital previously accumulated by a few individuals. In a country where the resources of individuals are not generally and materially affected by the war, it is practicable and wise to raise by taxes the greater part at least of the annual supplies. The credit of the nation may also from various circumstances be at times so far impaired as to have no resource but taxation. In both respects the situation of the United States is totally dissimilar....
>
> “An addition to the debt is doubtless an evil, but experience having now shown with what rapid progress the revenue of the Union increases in time of peace, with what facility the debt, formerly contracted, has in a few years been reduced, a hope may confidently be entertained that all the evils of the war will be temporary and easily repaired, and that the return of peace will, without any effort, afford ample

resources for reimbursing whatever may have been borrowed during the war."

He then enumerates the several branches of revenue which might be selected to provide for the interest of war loans and to cover deficiencies. First, a considerable increase of the duties on importations; and here he says:—

> "Without resorting to the example of other nations, experience has proven that this source of revenue is in the United States the most productive, the easiest to collect, and the least burthensome to the great mass of the people. 2d. Indirect taxes, however ineligible, will doubtless be cheerfully paid as *war taxes*, if necessary. 3d. Direct taxes are liable to a particular objection arising from unavoidable inequality produced by the general rule of the Constitution. Whatever differences may exist between the relative wealth and consequent ability of paying of the several States, still the tax must necessarily be raised in proportion to their relative population."

The Orders in Council of November 11, 1807, avowedly adopted to compel all nations to give up their maritime trade or accept it through Great Britain, reached Washington on December 18, 1807, and were immediately replied to by the United States by an embargo act on December 22. The history of the political effect of this measure is beyond the limits of this economic study, and will be touched upon in a later chapter, but the result of its application upon the Treasury falls within this analysis of the methods of Mr. Gallatin's administration.

On December 18 Gallatin wrote Jefferson that "in every point of view, privations, sufferings, revenue, effect on the enemy, politics at home, etc.," he preferred "war to a permanent embargo;" nevertheless he was called upon to draft the bill. The correctness of Mr. Gallatin's prevision was soon apparent. In his report of December 10, 1808, he reviewed the general effect of the measure. "The embargo has brought into and kept in the United States almost all the floating property of the nation. And whilst the depreciated value of domestic product increases the difficulty of raising a considerable revenue by internal taxes, at no former time has there been so much specie, so much redundant unemployed capital in the country." Again stating his opinion that loans should be principally relied on in case of war, he closed with the following words: "The high price of public stocks (and indeed of all species of stocks), the reduction of the public debt, the unimpaired credit of the general government, and the large amount of existing bank stock in the United States [estimated by him at forty millions of dollars], leave no doubt of the practicability of obtaining the necessary loans on reasonable terms."

The receipts into the Treasury during the year ending September, 1808, the last of Jefferson's administration, were	$17,952,419.90
The disbursements during the same period were	12,635,275.46
	==========
Excess of receipts	$5,317,144.44
And the specie in Treasury, October 1, 1808	$13,846,717.82

From January 1, 1791, to January 1, 1808, the debt had fallen from $75,169,974 to $57,023,192; during the first ten years it had increased nearly seven millions of dollars, in the last eight it had been diminished more than twenty millions and Louisiana had been purchased. Thus closed the second term of Gallatin's service. Happen what might, the credit of the country could not be in a better situation to meet the exigencies of a war. A letter from Mr. Jefferson to Mr. Gallatin after the close of this administration, and Gallatin's reply, show the entire accord between them upon the one cardinal point of financial policy. Mr. Jefferson, October 11, 1809, wrote from Monticello, "I consider the fortunes of our republic as depending in an eminent degree on the extinction of the public debt before we engage in any war; because, that done, we shall have revenue enough to improve our country in peace and defend it in war, without incurring either new taxes or new loans." And urging Gallatin to retain his post, he closed with the striking words, "I hope, then, you will abandon entirely the idea you expressed to me, and that you will consider the eight years to come as essential to your political career. I should certainly consider any earlier day of your retirement as the most inauspicious day our new government has ever seen." To which Gallatin replied from Washington, on November 10:—

> "The reduction of the public debt was certainly the principal object in bringing me into office, and our success in that respect has been due both to the joint and continued efforts of the several branches of government and to the prosperous situation of the country. I am sensible that the work cannot progress under adverse circumstances. If the United States shall be forced into a state of actual war, all the resources of the country must be called forth to make it efficient and new loans will undoubtedly be wanted. But whilst peace is preserved, the revenue will, at all events, be sufficient to pay the interest and to defray necessary expenses. I do not ask that in the present situation of our foreign relations the debt be reduced, but only that it shall not be increased so long as we are not at war."

In his eight years of service under Jefferson, Gallatin had not found the Treasury Department a bed of roses. Under Madison there was an undue proportion of thorns.

It has been shown that the entire reliance of Gallatin for the expenses of government was on

customs, tonnage dues, and land sales. The effect of the Embargo Act was soon felt in the falling off of importations, and consequently in the revenue from this source. Mr. Gallatin felt the strain in the spring of 1809; and on March 18, soon after Mr. Madison's inauguration, he gave notice to the commissioners of the sinking fund of a probable deficiency. In his annual report to Congress, December, 1809, he announced the expenses of government, exclusive of the payments on account of the principal of the debt, to have exceeded the actual receipts into the Treasury by a sum of near $1,300,000. For this deficiency, and the sum required for the sinking fund, Gallatin was authorized in May to borrow from the Bank of the United States $3,750,000 at six per cent., reimbursable on December 31, 1811. Of this sum only $2,750,000 was taken, the expenses having proved less than Mr. Gallatin had anticipated.

Madison called Congress together on November 1, 1811. The political tension was strong, and he was anxious to throw the responsibility of peace or war upon Congress. On November 22, 1811, Mr. Gallatin made his report on the finances and the public debt. It was, as usual, explicit and in no manner despondent. The actual receipts arising from revenue alone exceeded the current expenses, including the interest paid on the debt, by a sum of more than five and one half millions of dollars. The public debt on January 1, 1812, was $45,154,463. Since Gallatin took charge of the department, the United States had in ten years and nine months paid in full the purchase money of Louisiana, and increased its revenue nearly two millions of dollars. For eight years eight millions of dollars had been annually paid on account of the principal and interest of the debt. And as though intending to leave as the legacy of his service a lesson of financial policy, he said:—

> "*The redemption of principal has been effected without the aid of any internal taxes, either direct or indirect, without any addition during the last seven years to the rate of duties on importations, which on the contrary have been impaired by the repeal of the duty on salt, and notwithstanding the great diminution of commerce during the last four years*. It therefore proves decisively the ability of the United States with their ordinary revenue to discharge, in ten years of peace, a debt of forty-two millions of dollars, a fact which considerably lessens the weight of the most formidable objection to which that revenue, depending almost solely on commerce, appears to be liable. In time of peace it is almost sufficient to defray the expenses of a war; in time of war it is hardly competent to support the expenses of a peace establishment. Sinking at once, under adverse circumstances, from fifteen to six or eight millions of dollars, it is only by a persevering application of the surplus which it affords us in years of prosperity, to the discharge of the debt, that a total change in the system of taxation or a perpetual accumulation of debt can be avoided. But if a similar application of such surplus be hereafter strictly adhered to, forty millions of debt, contracted during five or six years of war, may always, without any extraordinary exertions, be reimbursed in ten years of peace. This view of the subject at the present crisis appears necessary for the purpose of distinctly pointing out one of the principal resources within reach of the United States. But to be placed on a solid foundation, it requires the aid of a revenue sufficient at least to defray the ordinary expenses of government, and to pay the interest on the public debt, including that on new loans which may be authorized."

From this plain declaration, it was evident that the sum necessary to pay interest on new loans, and provide for their redemption by the operation of the sinking fund, could not be obtained from the ordinary sources of revenue, and that resort must be had to extraordinary imposts or direct taxation. On January 10, 1812, in response to an inquiry of the Ways and Means Committee as to an increase of revenue in *the event of a war*, Gallatin submitted a project for war loans of ten millions a year, irredeemable for ten years. He pointed out that the government had never since its organization obtained considerable loans at six per cent. per annum, except from the Bank of the United States, and these, on a capital of seven millions, never amounted to seven millions in the whole. As the amount of prospective loans would naturally raise the amount of interest, it seemed prudent not to limit the rate of interest by law; ineligible as it seemed to leave that rate discretionary with the executive, it was preferable to leaving the public service unprovided for. For the same reason the loans should be made irredeemable for a term not less than ten years.

He then repeated a former suggestion, that "treasury notes," bearing interest, might be issued, which would to that extent diminish the amount to be directly borrowed and also provide a part of the circulating medium, passing as bank notes; but their issue must be strictly limited to that amount at which they would circulate without depreciation. So long as the public credit is preserved and a sufficient revenue provided, he entertained no doubts of the possibility of procuring on loan the sums necessary to defray the extraordinary expenses of a war. He warned the committee, and through it Congress, that "no artificial provisions, no appropriations or investments of particular funds in certain persons, *no nominal sinking fund*, however constructed, will ever reduce a public debt unless the net annual revenue shall exceed the aggregate of the annual expenses, including the interest of the debt." He then submitted the following estimates:—

> "The current or peace expenses have been estimated at nine millions of dollars. Supposing the debt contracted during the war not to exceed fifty millions and its annual interest to amount to three millions, the aggregate of the peace expenditure would be no more than twelve millions. And as the peace revenue of the United States may at the existing rate of duties be fairly estimated at fifteen millions, there would remain from the first outset a surplus of three millions applicable to the redemption of the debt. So far, therefore, as can be now foreseen, there is the strongest reason to believe that the debt thus contracted will be discharged with

facility and as speedily as the terms of the loans will permit. Nor does any other plan in that respect appear necessary than to extend the application of the annual appropriation of eight millions (and which is amply sufficient for that purpose) to the payment of interest and reimbursement of the principal of the new debt.... If the national revenue exceeds the national expenditure, a simple appropriation for the payment of the principal of the debt and coextensive with the object is sufficient and will infallibly extinguish the debt. If the expense exceeds the revenue, the appropriation of any specific sum and the investment of the interest extinguished or of any other fund, will prove altogether nugatory; and the national debt will, notwithstanding that apparatus, be annually increased by an amount equal to the deficit in the revenue.... What appears to be of vital importance is that *the crisis* should at once be met by the adoption of efficient measures, which will with certainty provide means commensurate with the expense, and, by *preserving unimpaired instead of abusing that public credit on which the public resources so eminently depend, will enable the United States to persevere in the contest until an honorable peace shall have been obtained*."

On March 14 Congress authorized a public loan of eleven millions of dollars, leaving it optional with the banks who subscribed to take stock, or to loan the money on special contract. The books were opened May 1 and 2, and in the two days $6,118,900 were subscribed: $4,190,000 by banks and $1,928,000 by individuals. The rate was six per cent. Mr. Gallatin reported this result, and proposed the issue of treasury notes for such amount as was desired within the limit of the loan to bear interest at five and two fifths per cent. a year, equal to a cent and a half per day on a hundred dollars' note; 2d, to be payable one year after date of issue; 3d, to be in the meanwhile receivable in payment of all duties, taxes, or debts due to the United States. The first of these ingenious qualifications was adopted by Mr. Chase in his issue of the seven-thirties.

On June 18 war was declared. On the 28th Mr. Gallatin submitted his estimate of receipts and expenditures for the year.

Expenditures In Round Numbers.	
Civil and miscellaneous	$1,560,000
Military establishment, and Indian dept	12,800,000
Naval establishment	3,940,000
Public debt	8,000,000
	$26,300,000
Funds Provided.	
Balance in Treasury, January 1	$2,000,000
Receipts from duties and sales of lands as by estimate of November 22, 1811	8,200,000
Loan authorized by law	11,000,000
Treasury notes as authorized by House of Representatives	5,000,000
	$26,200,000

The issue of *treasury notes* was a novel experiment in the United States; but they were favorably received, and Mr. Gallatin calculated that the full amount authorized by law, $5,000,000, could be put in circulation during the year. The result of a loan seemed more doubtful. The old six per cents. and deferred stock had already fallen two or three per cent. below par. Mr. Gallatin again recommended the conversion of these securities into a new six per cent. stock, which would facilitate the new loan, and to prevent the necessity of applying, the same years, the large sums required in reimbursement of and purchase of the public debt.

On December 1 Mr. Gallatin made his last annual statement.

Treasury Report for Fiscal Year ending September 30, 1812.

Receipts.		
Customs, sales of lands, etc.		$10,934,946.20
On account of loan of eleven millions, act 14 March, 1812		5,847,212.50
		$16,782,158.70
Balance in Treasury October 1, 1811		3,947,818.36
		$20,729,977.06
Disbursements.		
Civil Department, foreign intercourse		$1,823,069.35
Army, militia, forts, etc.	$7,770,300.00	
Navy Department	3,107,501.54	
Indian Department	230,975.00	11,108,776.54

Interest on debt	$2,498,013.19	
On account of principal	2,938,465.99	5,436,479.18
		$18,368,325.07
Leaving in Treasury 30 Sept., 1812		2,361,652.69
		$20,729,977.76

The sums obtained or secured on loans during the year amounted to $13,100,209, and the secretary had the satisfaction to state “that notwithstanding the addition thus made to the public debt, and although a considerable portion has been remitted from England and brought to market in America, the public stocks (which had at first experienced a slight depression) have been for the last three months, and continue to be, at par.” His last report to the commissioners of the sinking fund of February 5, 1813, stated the usual application of $8,719,773 to the principal and interest of the debt.

In his report of December 1, 1812, Mr. Gallatin announced that a loan of twenty-one millions was needed for the service of 1813. Congress authorized a loan of $16,000,000, having six years to run, and an additional issue of $5,000,000 of treasury notes. Congress adjourned on March 4. Their procrastination and the pressing demands of the War Department nearly beggared the Treasury before the loans could be negotiated and covered into it.

On April 17 Mr. Gallatin wrote to the secretaries of the army and of the navy, and sent a copy of his letters to Mr. Madison with information that the loan had been filled, and the probable receipts of the Treasury from ordinary sources for the year ascertained. These he estimated at $9,300,000. Deducting the annual appropriation for interest on the debt, the sum expended to March 31, and the amount needed for the civil service, there remained for the War and Navy Departments together the sum of $18,720,000.

The loan of $16,000,000 was obtained in the following places:—

States east of New York	$486,700
State of New York	5,720,000
Philadelphia, Pa.	6,858,400
Baltimore and District of Columbia	2,393,300
State of Virginia	187,000
Charleston, S. C.	354,000
	==========
	$16,000,000

The history of this subscription is not without interest. The extremely small subscriptions in New England and in the Southern States can hardly be explained on any other theory than that of a belief in the collapse of the finances of the United States and a dissolution of the Union, for which the New England States had certainly been prepared by their governing minds.[14]

Books were opened on March 12 and 13, 1813, at Portsmouth, Salem, Boston, Providence, New York, Albany, Philadelphia, Baltimore, Washington, Richmond, and Charleston. In the two days the subscriptions only reached the sum of $3,956,400. They were again opened on the 25th of March at New York, Philadelphia, Baltimore, and Washington. The New England and Southern States seem to have been disregarded because of their indifference in the first instance. The books remained open from March 25 to 31, during which time there were received $1,881,800, a total of $5,838,200.

The pressure fell on the Middle States. In these, fortunately for the government, there were three great capitalists whose faith in the future prosperity of the United States was unimpaired. All were foreigners: David Parish and Stephen Girard in Philadelphia and John Jacob Astor in New York. These now came forward, no doubt at the instance of Mr. Gallatin, who was a personal friend of each. Parish and Girard offered on April 5 to take eight millions of the loan at the rate of eighty-eight dollars for a certificate of one hundred dollars bearing interest at six per cent., redeemable before December 31, 1825, they to receive one quarter of one per cent. commission on the amount accepted, and in case of a further loan for the service of the year 1813, to be placed on an equal footing with its takers. John Jacob Astor on the same day and at the same place proposed to take for himself and his friends the sum of two million and fifty-six thousand dollars of the loan on the same conditions. These offers were accepted and the loan was complete. An offer on behalf of the State of Pennsylvania to take one million of the loan was received too late. Altogether the offers amounted to about eighteen millions, or two millions more than the sum demanded. Mr. Gallatin, clinging to his old plan, endeavored to negotiate this loan at par, by offering a premium of a thirteen years' annuity of one per cent., but found it impracticable. Indeed, the system of annuity, general in England, has never found favor as an investment in the United States.

This was Mr. Gallatin's last financial transaction. A few weeks later, at his own request, he severed his actual connection with the Treasury Department and was on his way to St. Petersburg to secure the proffered mediation of the emperor of Russia between the United States and Great Britain.

Thus ended Mr. Gallatin's administration of the national finances. The hour for saving had passed. The imperious necessities of war take no heed of economic principles. The work which the secretary had done became as the rope of sand. It is not surprising that Gallatin wearied of his

post; that he watched with vain regret and unavailing sighs the unavoidable increase of the national debt, and that he sought relief in other services where success was not so evanescent as in the Treasury Department. Before the close of Madison's administration, February 12, 1816, the public debt had run up to over one hundred and twenty-three millions,[15] and a sum equal to the entire amount of Mr. Gallatin's savings in two terms had been expended in one. But his work had not been in vain. The war was the crucial test of the soundness of his financial policy. The maxims which he announced, that debt can only be reduced by a surplus of revenue over expenditure, and the accompaniment of every loan by an appropriation for its extinguishment, became the fundamental principle of American finance. Mr. Gallatin was uniformly supported in it by Congress and public opinion. It was faithfully adhered to by his distinguished successors, Dallas and Crawford, and the impulse thus given continued through later administrations, until, in 1837, twenty years after the peace, the entire debt had been extinguished. All this without any other variation from Mr. Gallatin's original plan than an increase of the annual appropriation, to the sinking fund for its reimbursement, from eight to ten millions.[16]

The only charge which has ever been made against Gallatin's administration was, that he reduced the debt at the expense of the defenses and security of the country; but, to quote the words of one of his biographers:[17] “Mr. Gallatin had the sagacity to know that it [the redemption of the debt] would make but little difference in the degree of preparation of national defense and means of contest, for which it is impossible ever to obtain a considerable appropriation before the near approach of the danger that may render them necessary. He knew that the money thus well and wisely devoted to the payment of the debt was only rescued from a thousand purposes of extravagance and mal-application to which all our legislative bodies are so prone whenever they have control of surplus funds.” In our own day the irresistible temptations of a full treasury need no labored demonstration. Friend and foe drop political differences over the abundant fleshpot. The very thought of catering to such appetites disgusted Gallatin. To Jefferson he frankly said, in 1809, that while he did not pretend to step out of his own sphere and to control the internal management of other departments, yet he could not "consent to act the part of a mere financier, to become a contriver of taxes, a dealer of loans, a seeker of resources for the purpose of supporting useless baubles, of increasing the number of idle and dissipated members of the community, of fattening contractors, pursers, and agents, and of introducing in all its ramifications that system of patronage, corruption, and rottenness which you justly execrate.”

RECEIPTS AND EXPENDITURES DURING MADISON'S ADMINISTRATION,
FROM ELLIOTT'S SYNOPTICAL EXHIBITS.

Receipts.

Four years ending December 31.	Customs.	Internal Revenue.	Direct Taxes.	Postage.	Public Lands.	Loans and Treasury Notes.	Dividends and sales of Bank Stock.	Miscellaneous.	Total.
1812	$38,151,330.15	$18,674.03	$28,491.87	$85,077.40	$2,889,466.46	$15,606,201.30	—	$209,309.34	$56,988,550.55
1816	62,813,212.43	11,470,507.24	8,639,611.38	364,787.84	4,977,570.54	94,321,103.73	—	672,148.72	183,217,041.32
Madison	100,964,542.58	11,489,181.27	8,668,103.25	449,865.24	7,867,037.00	109,927,305.03	—	839,557.50	240,205,591.87

Expenditures.

Four years ending December 31.	Civil List.	Foreign Intercourse.	Miscellaneous.	Military Dept.	Pensions.	Indian Depart.	Naval Dept.	Public Debt.	Total.
1812	$2,887,197.98	$860,281.28	$1,619,849.12	$19,480,722.54	$338,023.68	$944,848.84	$10,006,934.54	$26,920,285.12	$63,058,143.10
1816	3,768,342.61	1,042,633.42	5,015,100.92	70,809,210.90	435,614.48	1,140,015.30	26,326,169.25	56,508,652.66	165,045,739.54
Madison	6,655,540.59	1,902,914.70	6,634,950.04	90,289,933.44	773,638.16	2,084,864.14	36,333,103.79	83,428,937.78	228,103,882.64

Revenue

L'État c'est moi was the autocratic maxim of Louis Quatorze. An adherence to it cost the Bourbons their throne. Burke was more philosophical when he said, “The revenue of the State is the State.” Its imposition, its collection, and its application involve all the principles and all the powers of government, constitutional or extraordinary. It is the sole foundation of public credit, the sole support of the body politic, its life-blood in peace, its nerve in war. The “purse and the sword” are respectively the resource and defense of government and peoples, and they are interdependent powers. With the discovery of the sources of revenue, and the establishment of its currents, Mr. Gallatin, in the first eight years of his administration of the Treasury, had nothing to do. He had only to maintain those systems which Hamilton had devised, and which, wisely adapted to the growth of the country, proved amply adequate to the ordinary expenditures of the government and to the gradual extinguishment of the debt. The entire revenue included three distinct branches: imposts on importations and tonnage, internal revenue, sales of public lands. The duties on

imports of foreign merchandise were alone sufficient to meet the current expenses of the various departments of administration on a peace establishment, and, increasing with the growth of the country, would prove ample in future. The gross amount of imports in the four years of Adams's administration, 1796-1800, was about three hundred and fourteen millions of dollars, and the customs yielded about thirty millions.

Mr. Gallatin's first annual report, submitted to the House of Representatives in December, 1801, exhibited his financial scheme. He recapitulated the various sources of permanent revenue. They were those of Hamilton's original tariff.

The revenues for the year ended September 30, 1801, were the basis of the estimates for future years. These were

Duties on imports and tonnage	$10,126,213.92
Internal revenue	854,000.00
Land sales	400,000.00
	==========
	$11,380,213.92

But the close of the war in Europe sensibly diminished the enormous carrying trade which fell to the United States as neutrals, and, as a consequence, the revenue from that source; large quantities of goods were brought into the United States and reëxported to foreign ports under a system of debenture. The revenue on what Mr. Gallatin calls “this accidental commerce” was $1,200,000. He therefore *estimated the permanent revenues at*

Customs duties	$9,500,000
Land sales	400,000
Postage	50,000
Internal revenue	650,000
	=========
	$10,600,000

Or, without the internal revenue, say ten millions of permanent revenue, as a basis for *the permanent expenditures*.

To bring the expenditures within this sum, however, a reduction in the army and navy establishments was necessary. This Gallatin soon found to be too radical a measure for success, either in the cabinet or Congress, however well it may have accorded with Jefferson's utopian views. In the budget of 1802 the internal revenue, $650,000, was, therefore, a necessary item. The expenditures proposed were

Annual appropriation for interest and principal of debt		$7,100,000
Civil list	$780,000	
Foreign intercourse	200,000	
Military and Indian Dept	1,420,000	
Naval	1,100,000	
	$3,500,000	3,500,000
		$10,600,000

In this budget the estimate for the military establishment was an increase over that of Wolcott for 1801, which was $1,120,000. But the Republicans in the House were not content with this arrangement. The internal revenues were utterly distasteful to them. They had been laid against their protest and collected under military menace. They were of those Federal measures of which they would have none. John Randolph, chairman of the Committee of Ways and Means, reported, March 2, 1802, against the entire system of internal duties, in the old words of the Pennsylvania radicals, as vexatious, oppressive, and peculiarly obnoxious; as of the nature of an excise which is hostile to the genius of a free people, and finally because of their tendency to multiply offices and increase the patronage of the executive. The repeal was imperative upon the Republican party. On April 6, 1802, the act was repealed and the surplus of the budget stripped from it, without Mr. Gallatin's consent, certainly, but also without protest from him.

The prosperity of the country continued. The impost duties for the fiscal year ending September 30, 1802, rose to $12,280,000, the sales of the public lands to $326,000, and the postage to $50,500, a total of $12,656,500, and left in the Treasury, September 30, 1802, the sum of $4,539,675. This large increase in the Treasury did not in the least change Mr. Gallatin's general plan, and his budget for 1803 was based on his original scale of a permanent revenue of $10,000,000, to correspond with which the estimates of the preceding year were reduced. The fiscal year closed September 30, 1803, with a balance in the Treasury of $5,860,000. This situation of the finances was fortunate in view of secret negotiations which the President and Congress were initiating for the purchase of Louisiana from France.

The secretaries of war and of the navy had promised to reduce their expenditures to a figure approximate to Mr. Gallatin's estimates; but the breaking out of hostilities with Tripoli prevented the proposed economy, and Mr. Gallatin was called upon to provide for an increased expenditure with one certain source of revenue definitively closed. He therefore proposed an additional tax of

two and one half per cent. on all importations which paid an *ad valorem* duty. This additional impost, laid by act of March 25, 1804, called the Mediterranean Fund, remained in force long after the war closed and held its place on the books of the Treasury under that name.

The bulk of the cost of Louisiana was met by an issue of bonds; but Mr. Gallatin, true to his principle, applied the moneys in the Treasury as far as they would go. The budget for 1805 was on a different scale. The increase in the debt demanded a proportionate increase in the revenue to meet the additional sum required for interest and gradual annual reimbursement. The Mediterranean Fund was sufficient to meet the increased amounts required for the navy. In this manner he held up the Navy Department to a strict accountability and made it responsible to Congress and not to the cabinet for its administration, and he thus, from his own point of view, relieved the Treasury Department from any responsibility for extraordinary expenditure.

Mr. Gallatin closed his four years of administration with flying colors. The successful management of the finances was an important factor in the election of 1804, which returned Mr. Jefferson to the presidential chair and insured to the country the inestimable advantages of Mr. Gallatin's practical mind. Order reigned in his department at least, and order subordinate to the strictest requirements of law. In the four years, 1801-1804, Jefferson's first term, the imports aggregated $337,363,510 and the customs yielded $45,000,000.

The annual report, made December 9, 1805, announced an increasing revenue, amounting in all to thirteen and one half millions of dollars, chiefly from customs. Still Mr. Gallatin made but small addition to his estimates for the coming year. The permanent revenue he raised to twelve and one half millions and increased the appropriation for the payment of the debt and interest to eight millions. Nothing occurred during the next year to check the growth of the country; the revenue continued on a rising scale, and reached close upon fifteen millions of dollars.

So far Mr. Gallatin had met but inconsiderable obstacles in his course, and these he used to his advantage to impress economy upon the Army and Navy Departments, and enforce his principle of minute appropriations for their government. All that he had already accomplished in the establishment of a sound financial system and the support of the credit of the United States was but the basis of a broader structure of national economy. His extensive scheme of internal improvements was hardly matured when the thunder broke in the clear sky.

The acquisition of Louisiana, the large carrying trade which had passed under the American flag, and the rapid prosperity of the financial and industrial condition of the country aroused the jealousy of Great Britain, and determined her to check the further progress of the United States by war, if need be. The capture of the American frigate Chesapeake by the man-of-war Leopard, June 22, 1807, was only the first in a series of outrages which rendered the final collision, though long delayed, inevitable. Mr. Gallatin at once recognized that the Treasury could no longer be conducted on a peace basis. “Money,” he wrote to Joseph H. Nicholson, “we will want to carry on the war; our revenue will be cut up; new and internal taxes will be slow and not sufficiently productive; we must necessarily borrow. This is not pleasing to me, but it must be done.” Congress was called together for October 26, 1807, and on November 5, Mr. Gallatin sent in his annual report. There was still hope that Great Britain would make amends for the outrage, and Congress was certainly peaceably disposed. In the condition of the Treasury there was no reason as yet for recommending extraordinary measures. The revenues for the year passed the sum of seventeen millions; the balance in the Treasury reached eight and one half millions; the surplus on a peace footing was twelve millions. Mr. Gallatin recommended that the duties should be doubled in case war were threatened. He said, “Should the revenue fall below seven millions of dollars, not only the duty on salt and the Mediterranean duties could be immediately revived, but the duties on importation generally be considerably increased, perhaps double, with less inconvenience than would arise from any other mode of taxation.” Experience had proven that this source of revenue is in the United States “the most productive, the easiest to collect, and least burdensome to the great mass of the people.” But still the war-cloud did not break. Mr. Canning contented himself with war in disguise, and by his Order in Council of November 11, 1807, shut the ports of Europe to American trade, and wiped away the advantages of the United States as a neutral power. The United States answered with the act of embargo on December 22, 1807, completing, as far as it was possible for legislation to effect it, the blockade of the Treasury Department as regarded revenues from foreign imports. The immediate effect, however, of these acts in Great Britain and America was an enormous temporary increase of importations in the interim from the time of the passage of the act until the date when it took effect. To aid merchants in this peculiar condition of affairs an act was passed by Congress, on March 10, 1808, extending the terms of credit on revenue bonds.

Mr. Gallatin's report of December 16, 1808, closed the record of his eight years of management of the Department. In the second term of Jefferson's administration, 1805-1808, the gross amount of imports had risen to $443,990,000, and the customs collected to nearly $60,000,000. In the entire eight years, 1800-1808, the gross amount of importations was $781,000,000, and the customs yielded $105,000,000. The entire expenses of the government in the same period, including $65,000,000 of debt, had been liquidated from customs alone.

The specie in the Treasury on September 20, 1808, reached nearly $14,000,000. Mr. Jefferson knew of the amount in the Treasury when he wrote his last message, November 8, 1808, and he could not have been ignorant of Mr. Gallatin's warning of the previous year that a continuance of the embargo restriction would reduce the revenue below the point of annual expenditures and require an additional impost; yet he had the ignorance or the presumption to say in his message, "Shall it (the surplus revenue) lie unproductive in the public vaults? Shall the revenue be reduced?

or shall it not rather be appropriated to the improvement of roads, canals, rivers, education, and other great foundations of prosperity and union under the powers which Congress may already possess or such amendments of the Constitution as may be approved by the States? While uncertain of the course of things, the time may be advantageously employed in obtaining the powers necessary for a system of improvement, should it be thought best." In these words Jefferson surrendered the vital principle of the Republican party. In his satisfaction at the only triumph of his administration, the management of the finances and the purchase of a province without a ripple on the even surface of national finance, he gave up the very basis of the Republican theory, the reduction of the government to its possible minimum, and actually proposed a system of administration coextensive with the national domain, an increase of the functions of government, and consequently of executive power.

The annual report of the Treasury, presented December 16, 1808, showed no diminution of resources. The total receipts for the fiscal year were nearly eighteen millions. The total receipts for—

Customs reached	$26,126,648
On which debentures were allowed on exportations	10,059,457
Actual receipts from customs	$16,067,191

But this source of revenue was now definitively closed by the embargo, while the expenditures of the government were increased. Mr. Gallatin met the situation frankly and notified Congress of the resources of the Treasury.

RESOURCES FOR 1809

Cash in Treasury	$13,846,717.52
Bank customs, net	2,154,000.00
Total resources	$16,000,717.52

The receipts from importations and land sales would be offset by deductions for bad debts and extensions of credit to importers. The expenditures were set at $13,000,000, which would leave in the Treasury for extraordinary expenditure $3,000,717. The disbursements had been far beyond the estimates; those for the military and naval establishments reaching together six millions.

It is not to be supposed that Mr. Gallatin saw this depletion of the Treasury, this rapid dissipation of the specie,—always desirable and never more so than in periods of trouble,—without disappointment and regret. His report to Congress was as outspoken politically as it was financially, and from a foreign-born citizen to an American Congress must have carried its sting. “Either America,” he wrote, "must accept the position of commerce allotted to her by the British edicts, and abandon all that is forbidden,—and it is not material whether this is done by legal provisions limiting the commerce of the United States to the permitted places, or by acquiescing in the capture of vessels stepping beyond the prescribed bounds. Or the nation must oppose force to the execution of the orders of England; and this, however done, and by whatever name called, will be war." He recalled to them his advice of the preceding years in a vein of tempered bitterness: “Had the duties been doubled on January 1, 1808, as was then suggested, in case of war the receipts into the Treasury during that and the ensuing year would have been increased nine or ten millions of dollars.” He then proposed to continue the Mediterranean Fund and to double all existing duties on importations after January 1, 1809. He informed them that no internal taxes, either direct or indirect, were contemplated by him even in the case of hostilities against the two belligerent powers; France having responded to the Orders in Council by Napoleon's Milan decree, December 17, 1807, which was quite as offensive to the United States as that of Canning. With true statesmanship Mr. Gallatin nerved the country to extraordinary exertion by reminding it that the geographical situation of the United States and their history since the Revolution removed every apprehension of frequent wars.

During the year 1809 the country drifted along apparently without rudder or compass, helmsman or course, and the treasury locker was being rapidly reduced to remainder biscuit. Mr. Madison was inaugurated in March. In his first message, May 23, 1809, he exposed the financial situation with an indecision which was as marked a trait of his character as optimism was of that of Jefferson. In his message of November 29, 1809, he said “the sums which had been previously accumulated in the Treasury, together with the receipts during the year ending on September 30 last, and amounting to more than nine millions of dollars, have enabled us to fulfill all our engagements and defray the current expenses of government without recurring to any loan; but the insecurity of our commerce and the consequent demands of the public revenue will probably produce a deficiency in the receipts of the ensuing year.” Beyond this Madison did not venture; Gallatin was left alone.

The Treasury report of December 8, 1809, announced the beginning of short rations. The expenses of government, exclusively of the payments on account of the principal of the debt, had exceeded the actual receipts into the Treasury by a sum of near $1,300,000. If the military and naval establishments were to be continued at the figures of 1809, when six millions were expended, there would result a deficiency of $3,000,000, and a loan of $4,000,000 would be necessary. Otherwise the Mediterranean Fund would suffice. The cash in the Treasury had fallen from nearly

fourteen millions on June 2, 1809, to less than six millions on September 3, following. In this report Gallatin expressed his opinion, that the system of restriction established by the embargo and partly relaxed must be entirely reinstated or wholly abandoned. On May 1, 1810, an act of strict prohibition of importations from Great Britain and her dependencies was passed.

While from the incompetency of the administration the country was fast approaching the real crisis of open war, the Republicans in Congress were deliberately destroying and undermining the basis of national credit, by which alone it could be carried on. In February the United States Bank, by which, and its branches, the customs were collected throughout the country, was destroyed by the refusal of Congress to renew its charter. Mr. Gallatin in his combinations never contemplated such a contingency as the total destruction of the fiscal agency on which the government had relied for twenty years. Unwilling to struggle longer against the mean personalities and factious opposition of his own party in Congress, he tendered his resignation to Mr. Madison. But the Republican party was a party of opposition, not of government. With the exception of Mr. Gallatin, no competent administrative head had as yet appeared. There was no one in the party or out of it to take his place. Mr. Madison knew it. Mr. Gallatin felt it, and remained. Congress met in November. On the 25th Mr. Gallatin sent in his annual report; the receipts reached thirteen and a half million dollars.

The budget for 1812 left a deficiency to be provided for of $1,200,000. This was a small matter. The revenue Mr. Gallatin proposed to increase, on the plan before recommended, by additions of fifty per cent, to the imposts on foreign commerce. This he preferred to any internal tax.

At the close of the year the country, chafed beyond endurance by the indignities put upon it and the sufferings it encountered without compensation to its pride, was eager for war. Congress was no way loath to try the dangerous path out of its labyrinth of blunders. The near contingency imposed the necessity of an immediate examination of the sources of revenue. In January, 1812, Mr. Gallatin was requested by the chairman of the Committee of Ways and Means to give his opinion as to the probable amount of receipts from duties on tonnage and merchandise in the event of war. This, in view of the vigorous restrictions laid by France under her continental system of exclusion, Mr. Gallatin estimated under existing rules as not to exceed $2,500,000. He then stated, without hesitation, that it was practicable and advisable to double the rate of duties, and to renew the old duty on salt. The sum acquired, with this addition, he anticipated, would amount to $5,400,000.

On the basis of annual loans of ten millions of dollars during the continuance of the war (the sum assumed by the committee), the deficiency for 1814 would amount, by Mr. Gallatin's estimate, to $4,200,000. To produce a net revenue equal to this deficiency he stated that the gross sum of taxes to be laid must be five millions of dollars. He then reverted to his report of December 10, 1808, in which he had stated that “no internal taxes, either direct or indirect, were contemplated, even in the case of hostilities carried on against the two great belligerent powers.” The balance in the Treasury was then nearly fourteen millions of dollars, but in view of the daily decrease of the revenue he had recommended “that all the existing duties be doubled on importations subsequent to the first day of January, 1809.” As the revenues of 1809, 1810, and 1811 had yielded $26,000,000, the sum on hand, with the increase thus recommended, would have reached $20,000,000, a sum greater than the net amount of the proposed internal taxes in four years.

At that time no symptoms had appeared from which the absolute dissolution of the Bank of the United States without any substitute could have been anticipated. If its charters had been renewed, on the conditions suggested by Mr. Gallatin, the necessity for internal taxes would have been avoided. The resources of the country, properly applied, however, were amply sufficient to meet the emergency; but Mr. Gallatin distinctly threw upon Congress, and by implication upon the Republican majority, the responsibility for the state of the Treasury, and the imperative necessity for a form of taxation which it detested as oppressive, and which it was a party shibboleth to declare in and out of season, to be unconstitutional. The choice of the administration was between the Bank which Jefferson detested and Gallatin favored, and the internal tax which Mr. Gallatin considered as the most repulsive in its operation of any form of revenue.

But necessity knows no law, and the prime mover, if not the original author, of the opposition to Hamilton's system was driven to propose the renewal of the measures, opposition to which had brought the Republican party into power, and had placed himself at the head of the Treasury. He now proposed to raise the five millions deficiency by internal taxation—$3,000,000 by direct tax and $2,000,000 by indirect tax.

Continuing his lucid and remarkable report with careful details of the methods to be adopted, Gallatin closed with an urgent recommendation that the crisis should at once be met by the adoption of efficient measures to provide, with certainty, means commensurate with the expense, and by preserving unimpaired, instead of abusing, that credit on which the public resources eminently depend, to enable the United States to persevere in the contest until an honorable peace should be obtained. Thus he held the bitter cup to the lips of the Republican Congress, which, however, was not yet to drain its full measure. War was declared June 18, 1812. On July 1, 1812, an act was passed imposing an additional duty of one hundred per cent. on all importations, an additional ten per cent. on goods brought in foreign vessels, and also a duty of $1.50 per ton on all foreign vessels. The duty was to remain until the expiration of one year after peace should be made with Great Britain. On December 5, 1812, Mr. Gallatin sent in his last report. The balance in the treasury was $3,947,818. His estimate for the service of the year 1813 was a war budget. Resources, $12,000,000; expenditures, $31,926,000; promising a deficiency of $19,925,000. For this and other contingencies Mr. Gallatin asked for a loan of twenty millions. The authority was

granted, but the recommendations of direct and indirect taxes were disregarded. Here Mr. Gallatin's direct connection with the customs system closed.

The value of foreign importations during Madison's first term was $275,230,000, and the customs derived from them thirty-eight millions of dollars.

Congress adjourned March 4, 1813, but was called together again in May, when the subject of internal taxes was again forced upon them. The internal revenue was a part of Hamilton's general scheme. His original bill was passed, and, after numerous amendments suggested by trial, its grievances were tempered and the friction removed. In Adams's term it yielded nearly three millions of dollars. In Jefferson's first term, before the rise in customs revenue allowed of its abandonment, Mr. Gallatin drew from this source nearly two millions of dollars, enough to pay the interest and provide for the extinguishment of a six per cent. loan of thirty millions; a war budget in itself. But it had been so entirely set aside that in Jefferson's second term, 1808-1812, it had fallen to a little over sixty-three thousand; in Madison's first term, to a little under nineteen thousand dollars. Was it to this Mr. Dallas referred in that passage of his report, made in 1815, on the financial operations of the war, in which he expresses his regret “that there existed no system by which the internal resources of the country could be brought at once into action, when the resources of its external commerce became incompetent to answer the exigencies of the time? The existence of such a system would probably have invigorated the early movements of the war, might have preserved the public credit unimpaired, and would have rendered the pecuniary contributions of the people more equal, as well as more effective.” “It certainly,” to use the words of this Mr. Gallatin's oldest and best political friend, “furnishes a lesson of practical policy.” Disagreeable as the necessity was, it could not be avoided, and Mr. Gallatin met it manfully. Nay more, he seems to have had a grim satisfaction in proposing the measure to the Congress which had thwarted him in his plans. In accordance with his suggestions, Congress, in the extra session of May, 1813, laid a direct tax of $3,000,000 upon the States, and specific duties upon refined sugar, carriages, licenses to distillers of spirituous liquors, sales at auction, licenses to retailers of wines, and upon notes of banks and bankers. These duties, in the beginning temporary, were calculated to yield $500,000, and with the direct tax to give a sum of $3,500,000. But the increasing expenditures again requiring additional sums of revenue, the duties were made permanent and additional taxes were laid; the entire revenue for 1815 being raised so as to yield $12,400,000. In the second term of Mr. Madison the internal revenue brought in nearly eleven and a half millions. The Federalists, who as a party were opposed to the war, enjoyed the situation; Mr. Gallatin was compelled to impose the internal revenue tax which he detested, and Mr. Dallas was called upon to enforce its application.

A. J. Dallas

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The only remaining source of revenue was the sale of public lands. This also was a part of Hamilton's original scheme. The public lands of the United States were acquired in three different ways, namely, 1, by cessions from the States of such lands as they claimed, or were entitled to by their original grants or charters from the crown, while colonies; 2, by purchase from Indian tribes; 3, by treaties with foreign nations,—those of 1783 and 1794 with Great Britain, of 1795 with Spain, and of 1803 with France. The need of bringing this vast territory under the control of the government and disposing of it for settlement was early apparent. In July, 1791, Hamilton sent in to the House a report on "A uniform system for the disposition of the lands, the property of the United States." In March preceding, grants of the United States had confirmed to the actual

settlers in the Illinois country the possession of their farms. But what with the Indian wars and the rebellion within the United States, no action was taken by Congress to carry the recommendations of the secretary into effect, until Mr. Gallatin, whose residence on the frontier gave him direct interest in the subject, brought up the matter at the very first session he attended. In 1796 a bill was passed authorizing and regulating the sale of lands northwest of the Ohio and above the mouth of the Kentucky River, and a surveyor-general was appointed with directions to lay out these lands in townships. The sales under Adams's administrations were trifling, the total amount received from this source before the year 1800 being slightly over one hundred thousand dollars. In May, 1800, sales of the same lands were authorized at public vendue at not less than two dollars per acre; four land offices were established in the territory; surveyors were appointed, and a register of the land office was made a permanent official. In March, 1803, an act was passed to regulate the sale of the United States lands south of the Tennessee River, two land offices were established and public sale provided for at the same price set in the act of 1800. In March, 1804, the Indiana lands lying north of the Ohio and east of the Mississippi were brought within similar regulations, and an act was passed concerning the country acquired under Spanish and British grants. In the same month Louisiana was erected into two territories. The sums received from the sales during the first term of Jefferson's administration amounted to little more than one million of dollars. In January, 1805, the territory of Indiana was divided into two separate governments; that one which was set off received the name of Michigan, and in 1808, its territory was brought under the regulations of the land office.

The sums received from the sales in the second term of Jefferson's administration reached nearly two and one half millions of dollars, and in Madison's first term, nearly three millions of dollars. From first to last Mr. Gallatin never lost sight of the subject, though occasion did not serve for more than organization of the system which, in the four years ending 1836, yielded nearly fifty million dollars, and paid more than one third of the entire expenses of the government. To John W. Eppes[18] Mr. Gallatin wrote in the crisis of 1813, “The public lands constitute the only great national resource exclusive of loans and taxes. They have already been mentioned as a fund for the ultimate extinguishment of the public debt.” The land offices were then in full operation.

In 1810 Mr. Gallatin prepared an “Introduction to the collection of laws, treaties, and other documents respecting the public lands,” which was published pursuant to an act of Congress passed in April of that year.

Free Trade

While Mr. Gallatin differed from his early Republican associates in many of their theories of administration, he was a firm believer in the best of their principles, namely, the wisdom of giving free scope to the development of national resources with the least possible interference on the part of government. One of his purposes in his persistent desire for economy in expenditure was to reduce the tariff upon foreign importations to the lowest practicable limit. He was the earliest public advocate in America of the principles of free trade, and an experience of sixty years confirmed him in his convictions.

The extinguishment of the debt rendered a great reduction in the revenue possible. On the other hand, it brought the friends of a low tariff face to face with the problem of internal improvements. As the election of 1832 drew near, the advocates of the two systems ranged themselves in two great parties precisely as to-day: the advocates of the protective or American system with internal improvements as an outlet for accumulations of revenue on the one side; on the other the advocates of free trade. Between his desire for the advantages of the one with its attendant disadvantages of government interference in its prosecution, and the freedom of commerce from undue restrictions, Mr. Gallatin did not hesitate. He threw the whole force of his experience and character into the free trade cause, and became the leader of its friends.

On September 30, 1831, a convention of the advocates of free trade, without distinction of party, met at the Musical Fund Hall in Philadelphia. Two hundred and twelve delegates appeared. Among them were Theodore Sedgwick, George Peabody, and John L. Gardner from Massachusetts; Preserved Fish, John Constable, John A. Stevens, Jonathan Goodhue, James Boorman, Jacob Lorillard, and Albert Gallatin from New York; C. C. Biddle, George Emlen, Isaac W. Norris from Pennsylvania; Langdon Cheves, Henry Middleton, Joseph W. Allston, and William C. Preston from South Carolina; and men of equal distinction, bankers, merchants, statesmen, and political economists from other States. Of this convention Mr. Gallatin was the soul. He opened its business by stating the objects of the meeting, and nominated the Hon. Philip P. Barbour of Virginia for president. A general committee of two from each State was appointed, which recommended an address to the people of the United States and a memorial to Congress. The address to the people closed with a declaration that the near extinguishment of the national debt, which would be discharged by the available funds of the government on January 1, 1833, suggested that the moment was propitious for the establishment of the principles of free trade. Thus the people of the United States, who had successfully asserted the doctrines of free government, might add to its claims upon the gratitude of the world by being the first also to proclaim the theory of a free and unrestricted commerce, the genuine “American system.” Mr. Gallatin was the chairman of the committee of fourteen, one from each State represented in the convention, to prepare the memorial which was presented in their behalf to Congress, the conclusions of which, presented with his consummate ability, demonstrated with mathematical precision that a duty of twenty-five per cent. was sufficient for all the legitimate purposes of government. Here he found himself in direct opposition to Mr. Clay, whose political existence was

staked upon the opposite theory. Mr. Clay answered in a great speech in the Senate in February, 1832, and forgot himself in personal denunciation of Mr. Gallatin as a foreigner with European interests at heart, and of utopian ideas; for this he expressed his regret to Mr. Gallatin in an interview arranged by mutual friends at a much later period. Mr. Gallatin's views were accepted as the policy of the country, and after some shifting of parties, in which friends and foes changed ground in subordination to other political exigencies, they prevailed in the tariff of 1846, the best arranged and most reasonable which the United States has yet seen.

It is certain that Mr. Gallatin was opposed to “protective” revenue. His preference was for an “even” duty on all imports. This is not the place for an economic discussion. The true policy of the United States is probably between the extremes of protection and free trade. The nature of our population has been changed by the enormous immigration of the last fifty years. Moreover, instead of an absolute freedom from debt the nation has had to endure the legacy of debt left by the Civil War, to meet which a development of all its resources of manufacture as well as of agriculture is required.

Administration

To arrive at a correct estimate of Mr. Gallatin's administration of the Treasury Department, a cursory review of the establishment as he received it from the hands of Mr. Wolcott is necessary. This review is confined to administration in its limited sense, namely, the direction of its clerical management under the provisions of statute law. The organization of the department as originated by Hamilton and established by the act of September 2, 1789, provided for a secretary of the treasury as head of the department, whose general duty should be to supervise the fiscal affairs of the country, and particularly to suggest and prepare plans for the improvement and support of the public credit; and, under his direction and supervision, a comptroller to adjust and preserve accounts; an auditor to receive, examine, and rectify accounts; a treasurer to receive, keep, and disburse moneys on warrants signed and countersigned; a register to keep the accounts of receipts and expenditures; and an assistant to the secretary of the treasury to fill any vacancy from absence or other temporary cause. In addition to the departments of State, Treasury, and War, a fourth, that of the Navy, was established April 30, 1798. The three departments were brought into relation with that of the Treasury by an act passed July 16, 1798, supplementary to that organizing the Treasury, and which provided, 1st, for the appointment of an accountant in each department, who was required to report to the accounting officer of the Treasury; 2d, that the Treasurer of the United States should only disburse by warrants on the Treasury, countersigned by the accountant of the Treasury; 3d, that all purchases for supplies for military or naval service should be subject to the inspection and revision of the officers of the Treasury. Mr. Jefferson, after his usual fashion of economy in the wrong direction, proposed to Mr. Gallatin “to amalgamate the comptroller and auditor into one, and reduce the register to a clerk of accounts: so that the organization should consist, as it should at first, of a keeper of money, a keeper of accounts, and the head of the department.” But in the Treasury Department there was no extravagance during Gallatin's administration, and the shifting of responsibility would bring no saving of salaries.

In May, 1800, an act was passed making it "the duty of the secretary of the treasury to digest, prepare, and lay before Congress at the commencement of every session a report on the subject of finances, containing estimates of the public revenue and expenditures, and plans for improving and increasing the revenue from time to time, for the purpose of giving information to Congress in adopting modes for raising the money requisite to meet the expenditures." Hamilton had never sent in any other than a statement of expenditure for the past fiscal year, together with the estimate of the accountant of the Treasury for the proximate wants of the departments of government. Mr. Gallatin incorporated in his annual report a balance sheet in accordance with the ordinary forms of book-keeping familiar to every accountant and indispensable in every business establishment, and such as is presented to the public in the monthly and annual statements of the Treasury Department at this day.

The statutes show no legislation during Mr. Gallatin's period of administration, and to its close he was in continual struggle to force upon Congress and the departments an accord with his pet plan of minute specific appropriation of the sums estimated for and expended by each. Mr. Madison heartily agreed with Mr. Gallatin on this subject, and on taking office placed the relations of the State Department upon the desired footing. But the heads of the Army and Navy were never willing to consent to the strict limitation which Mr. Gallatin would have imposed on their expenditures. In his notes to Jefferson for the draft of his first message in 1801, Mr. Gallatin said that the most important reform he could suggest was that of 'specific appropriations,' and he inclosed an outline of a form to be enforced in detail. In January, 1802, he sent to Joseph H. Nicholson a series of inquiries to be addressed to himself by a special committee on the subject, with regard to the mode by which money was drawn from the Treasury and the situation of accounts between that department and those of the Army and Navy. To these questions he sent in to the House an elaborate reply, which he intended to be the basis of legislation. Strict appropriation was the ideal at which he aimed, and this word was so often on his tongue or in his messages that it could not be mentioned without a suggestion of his personality. He carried the same nicety of detail into his domestic life. He managed his own household expenses, and at a time when bountiful stores were the fashion in every household he insisted on a rigid observance of the more precise French system. He made an appropriation of a certain sum each day for his expenses, and required from his purveyor a strict daily account of disbursements. An amusing story is told of him at his own table. On an occasion when entertaining a company at dinner, he

was dissatisfied with the menu and expressed his disapprobation to his maître d'hôtel, a Frenchman, who replied to him in broken English, that it was not his fault, but that of the “mal-appropriations.”

The example set by Mr. Gallatin in this particular was never forgotten, and from his day to this strict accountability has been the tradition of the Treasury Department, now greatly increased in detail, but in structure essentially as it was originally organized. Of its management Mr. Sherman was able to say in his report of December 1, 1879, "The organization of the several bureaus is such, and the system of accounting so perfect, that the financial transactions of the government during the past two years, aggregating $3,354,345,040, have been adjusted without question with the exception of a few small balances, now in the process of collection, of which it is believed that the government will eventually lose less than $13,000, or less than four mills for each $1000 of the amount involved;" and in 1880 he said with entire truth, “The department is a well organized and well conducted business office, depending mainly for its success upon the integrity and fidelity of the heads of bureaus and chiefs of divisions.”

Banking

There is no more instructive chapter in the history of finance than that upon the banking system of the United States. It has its distinct eras of radical change, each of which presents a series of tentative experiments. The outcome, by a process of development, in which political expediency has been as effective an agency as financial necessity, is the present national banking system. Though the term “government,” or “national,” bank is constantly used in reference to the great banking institutions of England, France, and the United States, no one of these is in the true sense of the word a national bank. The Bank of England is a chartered corporation, the Bank of France an association instituted by law. The Bank of North America, and the Bank of the United States which followed it, were founded on the same principle. Both were corporations of individuals intimately connected with the government, enjoying certain privileges accorded and being under certain restrictions, but otherwise independent of government control.

The Bank of North America, the first bank established in the United States, was also the first which had any direct relation to the government. It was the conception of the comprehensive and original mind of Robert Morris, the financier or superintendent of the public finances of the United States. Its purpose was not the convenience or profit of individuals, but to draw together the scattered financial resources of the country and found a public credit. He submitted his plan to Congress, which adopted a resolution of approval May 26, 1781. The original plan contemplated a capital of ten millions of dollars; but the collection of such a sum in gold and silver in one depository was beyond the range of possibility at that period, and the capital was finally fixed at four hundred thousand dollars, in one thousand shares of four hundred dollars each. Subscription books were immediately opened, but not more than $70,000 was entered during the summer months. The arrival at Boston of a French war frigate with a remittance of $470,000 in specie, which was brought to Philadelphia and deposited in the vaults of the bank, enabled Mr. Morris to mature his plans. He designed to retain this sum in the bank as a specie basis; but the necessities of the country were so urgent during the critical season of the Yorktown campaign, that nearly one half of it was exhausted before an organization could be effected. In December Congress passed an ordinance of incorporation. Mr. Morris then subscribed the specie remaining in the Treasury, about $254,000, for shares for account of the United States, which became thereby the principal stockholder. The limit assigned by the ordinance remained, however, at ten millions of dollars. There was nothing in the acts of Congress which implied any exclusive right of the United States government in the bank except during the war of the Revolution. A local charter was obtained from the legislature of Pennsylvania, and the bank was opened in Philadelphia for the transaction of business in January, 1782. Its services to the government during the period of the war were inestimable. In the words of Hamilton, “American independence owes much to it.” But after the war such were the local jealousies, the fears of oppression, and the dread of foreign influence, that, on the petition of the inhabitants of Philadelphia and some of the neighboring counties, the legislature of Pennsylvania repealed its charter on September 13, 1785. The bank continued its operations, however, under the charter from Congress. On March 17, 1787, the legislature of Pennsylvania renewed the charter for fourteen years and limited the capital to two millions of dollars. The charter was extended for a similar term of fourteen years on March 26, 1799. Thus in the beginning of the American banking system are found that distrust and jealousy of money power which seem inherent in democracies. The exercise of state jurisdiction over the existence of the Bank of North America suggested possible embarrassments, which could not escape the discernment of Hamilton, whose policy, as it was also that of the Federal party, was to strengthen the powers of the government in every vital branch of administration.

In his comprehensive plan of government Hamilton included a financial institution to develop the national resources, strengthen the public credit, aid the Treasury Department in its administration, and provide a secure and sound circulating medium for the people. On December 13, 1790, he sent in to Congress a report on the subject of a national bank. The Republican party, then in the minority, opposed the plan as unconstitutional, on the ground that the power of creating banks or any corporate body had not been expressly delegated to Congress, and was therefore not possessed by it. Washington's cabinet was divided; Jefferson opposing the measure as not within the implied powers, because it was an expediency and not a paramount necessity.

Later he used stronger language, and denounced the institution as “one of the most deadly hostility existing against the principles and form of our Constitution,” nor did he ever abandon these views. There is the authority of Mr. Gallatin for saying that Jefferson “died a decided enemy to our banking system generally, and specially to a bank of the United States.” But Hamilton's views prevailed. Washington, who in the weary years of war had seen the imperative necessity of some national organization of the finances, after mature deliberation approved the plan, and on February 25, 1791, the Bank of the United States was incorporated. The capital stock was limited to twenty-five thousand shares of four hundred dollars each, or ten millions of dollars, payable one fourth in gold and silver, and three fourths in public securities bearing an interest of six and three per cent. The stock was immediately subscribed for, the government taking five thousand shares, two millions of dollars, under the right reserved in the charter. The subscription of the United States was paid in ten equal annual installments. A large proportion of the stock was held abroad, and the shares soon rose above par. By an act of March 2, 1791, the funded three per cents. were also made receivable in payment of subscriptions to the bank, whence it has been said that out of the funding system sprung the bank, as three fourths of its capital consisted of public stocks. Authority was given the bank to establish offices of discount and deposit within the United States. The chief bank was placed in Philadelphia, and branches were established in eight cities, with capitals in proportion to their commercial importance.

In 1809 the stockholders of the Bank of the United States memorialized the government for a renewal of their charter, which would expire on March 4, 1811; and on March 9, 1809, Mr. Gallatin sent in a report in which he reviewed the operations of the bank from its organization. Of the government shares, five million dollars at par, two thousand four hundred and ninety-three shares were sold in 1796 and 1797 at an advance of 25 per cent., two hundred and eighty-seven in 1797 at an advance of 20 per cent., and the remaining 2220 shares in 1802, at an advance of 45 per cent., making together, exclusive of the dividends, a profit of $671,680 to the United States. Eighteen thousand shares of the bank stock were held abroad, and seven thousand shares, or a little more than one fourth part of the capital, in the United States. A table of all the dividends made by the bank showed that they had on the average been at the rate of 8-3/8 (precisely 8-13/34) per cent. a year, which proved that the bank had not in any considerable degree used the public deposits for the purpose of extending its discounts. From a general view of the debits and credits, as presented, it appeared that the affairs of the Bank of the United States, considered as a moneyed institution, had been wisely and skillfully managed. The advantages derived by the government Mr. Gallatin stated to be, 1, safekeeping of the public moneys; 2, transmission of the public moneys; 3, collection of the revenue; 4, loans. The strongest objection to the renewal of the charter lay in the great portion of the bank stock held by foreigners. Not on account of any influence over the institution, since they had no vote; but because of the high rate of interest payable by America to foreign countries. If the charter were not renewed the principal of that portion, amounting to $7,200,000, must at once be remitted abroad; but if the charter were renewed, dividends equal to an interest of about 8-1/2 per cent. per annum must be remitted. Mr. Gallatin's report closed with the following suggestions:—

I. That the bank should pay an interest to the United States on the public deposits above a certain sum.

II. That it should be bound to lend the United States a sum not exceeding three fifths of its capital.

III. That the capital stock of the bank should be increased to thirty millions of dollars, to be subscribed for, 1, five millions by citizens of the United States; 2, fifteen millions by the States; a branch to be established in each subscribing State; 3, payments by either individuals or States to be in specie or public stock of the United States at rates to be fixed by law; the subscribing States to pay in ten annual installments.

IV. That some share should be given in the direction to the general and state governments by appointment of directors in the general direction and branches.

The result of this plan would be, 1st, that the United States might, from the interest on the public deposits, accumulate during years of peace and prosperity a treasure sufficient to meet periods of war and calamity; 2d, that they might rely on a loan of eighteen millions of dollars in any sudden emergency; 3d, that by the payment in ten installments the increase in capital would be in proportion to the progressive state of the country; 4th, that the bank itself would form an additional bond of common interest and union amongst the several States. But these arguments availed not against the blind and ignorant jealousy of the Republican majority in the House. The days of the bank were numbered. Congress refused to prolong its existence, and the institution was dissolved. Fortunately for the country, it wound up its affairs with such deliberation and prudence as to allow of the interposition of other bank credits in lieu of those withdrawn, and thus prevented a serious shock to the interests of the community. In the twenty years of its existence from 1791 to 1811 its management was irreproachable. Its annual dividends from 1791 to 1809 were 8-2/3 per cent., and its stock, always above par, from 1805 to 1809 ranged from 20 to 40 per cent. premium.

In its numerous and varied relations to the government it had been a useful and faithful servant, and its directors had never assumed the attitude of money kings, of which the Jeffersonian democracy pretended to stand in hourly dread. To the general and important nature of its financial service Mr. Gallatin gave his testimony in 1830; after his own direct participation in public affairs had ended.

> “Experience, however, has since confirmed the great utility and importance of a

bank of the United States in its connection with the Treasury. The first great advantage derived from it consists in the safekeeping of the public moneys, securing in the first instance the immediate payment of those received by the principal collectors, and affording a constant check on all their transactions; and afterwards rendering a defalcation in the moneys once paid, and whilst nominally in the treasury, absolutely impossible. The next, and not less important, benefit is to be found in the perfect facility with which all the public payments are made by checks or treasury drafts, payable at any place where the bank has an office; all those who have demands against government are paid in the place most convenient to them; and the public moneys are transferred through our extensive territory at a moment's warning without any risk or expense, to the places most remote from those of collection, and wherever public exigencies may require."

Late in life, in a letter to John M. Botts, June 14, 1841, Mr. Gallatin expressed the same opinions with regard to the usefulness of a government bank as an aid to the Treasury Department, but limited his approval to that use. "Except in its character of fiscal agent to the general government I attach much less importance to a national bank than several of those who are in favor of it." "Did I believe," he adds in the same letter, "that a bank of the United States would effectually secure us a sound currency, I would think it a duty at all hazards to promote the object."

The reason for his doubts in 1841 is easily seen in the impossibility of annihilating or controlling the three hundred distinct currencies of as many banks, each nominally convertible into specie at its point of issue; a financial puzzle which Mr. Chase solved in the device and organization of the present national banking system, which, without involving the government in banking operations, affords to the people a homogeneous currency of uniform value, and secures its convertibility by reasonable but absolute restrictions, upon conformity to which the existence of the banks depends. The exigencies of war compelled an acquiescence in the plans of Mr. Chase, which, at the time when Mr. Gallatin expressed his doubts, could not have been had in any system whatever which involved the subordination of the banks.

The wide spread of the state bank system, with its irresponsible and unlimited issues, occurring subsequent to Mr. Gallatin's withdrawal from the Treasury, was a consequence of the failure to renew the charter of the Bank of the United States; and if ever there were a system by which the inhabitants of States whose floating capital was small were placed at the mercy of moneyed corporations of the States where it was abundant, it was the state bank system. The experience of the old confederation had not taught this lesson. The colonial system was continued by the several States, and bills of credit were issued on their faith. The continental system was a compound of the main features of this plan. The bills were issued by the Congress, but the States were relied upon for their ultimate redemption.

The collapse of the entire fabric of finance led to the establishment of the Bank of North America, the notes of which were redeemable and redeemed at the bank counters. The article in the Constitution of 1787, prohibiting the issue of bills of credit by the States, was evidently intended to secure a uniform currency to the people of the United States, and it has been by a strange perversion of this manifest intention that the power has been conceded to the States to charter corporations to do that which was forbidden to themselves in their sovereign capacity; namely, to issue bills of credit, which bank-notes are. It is idle to say that, because such bills were not a "legal tender," they were therefore not of the character which the Constitution forbade. Necessity knows no law, and in the absence of any other currency the people were perforce compelled to take what they could get. Experience later showed that large amounts of paper money manufactured in one State were easily put in circulation in far distant communities, and considerable sums, through the operations of wear and tear and the vicissitudes incident to its fragile nature, never returned to plague the inventor.

At the time of the organization of the National Bank by Hamilton, there were but three banks in the United States: the Bank of North America, the Bank of New York, and the Bank of Massachusetts. Their added capital amounted to two millions of dollars, and their issues were inconsiderable.

Mr. Gallatin estimated that in January, 1811, just before the expiration of the bank charter, there were in the United States eighty-eight state banks with a capital of $42,612,000.

	Capital.	Notes in Circulation.	Specie.
Bank of the United States	$10,000,000	$5,400,000	$5,800,000
Eighty-eight state banks	42,610,601	22,700,000	9,600,000
	52,610,601	28,100,000	15,400,000

Over the local institutions the Bank of the United States always exercised a salutary control, checking any disposition to overtrade by restraining their issues and holding them to a proper specie reserve; and this by no other interference except its countenance or ill favor, as such banks severally observed or disregarded the ordinary rules of financial prudence. The immediate effect of the refusal of Congress to recharter the Bank of the United States was to bring the Treasury to the verge of bankruptcy. The interference of Parish, Girard, and Astor alone saved the credit of the government, and this interference was no doubt prompted by self-interest. That Mr. Astor was hostile to the bank is certain. Gallatin wrote to Madison in January, 1811, that Mr. Astor had sent him a verbal message, "that in case of non-renewal of the charter of the Bank of the United States,

all his funds and those of his friends, to the amount of two millions of dollars, would be at the command of government, either in importing specie, circulating government paper, or in any other way best calculated to prevent any injury arising from the dissolution of the bank," and he added that Mr. Bentson, Mr. Astor's son-in-law, in communicating this message said, "that in this instance profit was not Mr. Astor's object, and that he would go great lengths, partly from pride and partly from wish, to see the bank down." In 1813, when the bank was "down," Mr. Gallatin was no longer master of the situation. He offered to treat directly with Parish, Girard, and Astor for ten millions of dollars, but finding some hesitation, he opened the loan for subscription. When the subscription failed, he was at the mercy of the capitalists.

Another immediate effect of the dissolution of the bank was the withdrawal from the country of the foreign capital invested in the bank, more than seven millions of dollars. This amount was remitted, in the twelve months preceding the war, in specie. Specie was at that time a product foreign to the United States, and by no means easy to obtain. Specie, as Mr. Gallatin profoundly observed, does not precede, but follows wealth. The want of it nearly destroyed Morris's original plan for the Bank of North America, and was only made up by the fortunate receipt of the French remittances. In 1808 the specie in the vaults of the treasury reached fourteen millions of dollars, but during the operation of the Embargo Act, the banks of New England had gradually accumulated a specie reserve, and that of Richmond, Virginia, pursued the same policy. Together they held one third of the entire specie reserve of the banks. The amount of specie in the Bank of the United States, January 1, 1811, had fallen to $5,800,000, which soon found its way abroad.

The notes of the Bank of the United States, payable on demand in gold and silver at the counters of the bank, or any of its branches, were, by its charter, receivable in all payments to the United States; but this quality was also stripped from them on March 19, 1812, by a repeal of the act according it. To these disturbances of the financial equilibrium of the country was added the necessary withdrawal of fifteen millions of bank credit and its transfer to other institutions. This gave an extraordinary impulse to the establishment of local banks, each eager for a share of the profits. The capital of the country, instead of being concentrated, was dissipated. Between January 1, 1811, and 1815, one hundred and twenty new banks were chartered, and forty millions of dollars were added to the banking capital. To realize profits, the issues of paper were pushed to the extreme of possible circulation. Meanwhile New England kept aloof from the nation. The specie in the vaults of the banks of Massachusetts rose from $1,706,000 on June 1, 1811, to $7,326,000 on June 1, 1814. This was a consequence of the New England policy of opposition. Mr. Gallatin estimated that the proceeds of loans, exclusive of treasury notes and temporary loans, paid into the treasury from the commencement of the war to the end of the year 1814 were $41,010,000: of which sum the Eastern States lent $2,900,000; the Middle States, $35,790,000; Southwestern States, $2,320,000.

The floating debt of the United States, consisting of treasury notes and temporary loans unpaid, amounted, January 1, 1815, to $11,250,000, of which nearly four fifths were loaned by the cities of New York, Philadelphia, and Baltimore, and the District of Columbia. The suspension of the banks was precipitated by the capture of Washington. It began in Baltimore, which was threatened by the British, and was at once followed in Philadelphia and New York. Before the end of September all the banks south and west of New England had suspended specie payment. In his "Considerations on the Currency," Mr. Gallatin expressed his—

> "deliberate opinion that the suspension might have been prevented at the time when it took place, had the Bank of the United States been in existence. The exaggerated increase of state banks, occasioned by the dissolution of that institution, would not have occurred. That bank would *as before* have restrained them within proper bounds and checked their issues, and through the means of its offices it would have been in possession of the earliest symptoms of the approaching danger. It would have put the Treasury Department on its guard; both, acting in concert, would certainly have been able, at least, to retard the event; and as the treaty of peace was ratified within less than six months after the suspension took place, that catastrophe would have been avoided."

But within fifteen months the bank issues increased from forty-five and a half to sixty millions.

	Capital.	Circulation.	Specie.
Banks of New England	15,690,000	$5,320,000	$8,200,000
Other Banks	66,930,000	44,730,000	8,600,000
1815. 208 State Banks	$82,620,000	$50,050,000	$16,800,000
1816. 246 State Banks	$89,822,422	68,000,000	19,000,000

The depression of the local currencies ranged from seven to twenty-five per cent. In New York and Charleston it was seven to ten per cent. below the par of coin. At Philadelphia from seventeen to eighteen per cent. At Washington and Baltimore from twenty to twenty-two, and at Pittsburgh and on the frontier, twenty-five per cent. below par. The circulating medium, or measure of values, being doubled, the price of commodities was doubled. The agiotage, of course, was the profit of the bankers and brokers; a sum estimated at six millions of dollars a year, or ten per cent. on the exchanges of the country, which McDuffie, in his celebrated report, estimated at sixty millions annually.

In November the Treasury Department found itself involved in the common disaster. The refusal of the banks, in which the public moneys were deposited, to pay their notes or the drafts upon them

in specie deprived the government of its gold and silver; and their refusal, likewise, of credit and circulation to the issues of banks in other States deprived the government also of the only means it possessed for transferring its funds to pay the dividends on the debt and discharge the treasury notes. Mr. Dallas found himself compelled to appeal to the banks by circular to subscribe for sufficient treasury notes to secure them such advances as might be asked of them for the discharge of the public obligations.

“In the latter end of the year 1814,” says Mr. Gallatin, “Mr. Jefferson suggested the propriety of a gradual issue by government of two hundred millions of dollars in paper;” commenting upon which Mr. Gallatin remarks that Mr. Jefferson, from the imperfect data in his possession, “greatly overrated the amount of paper currency which could be sustained at par; and he had, on the other hand, underrated the great expenses of the war;” but at “all events,” he adds, “the issue of government paper ought to be kept in reserve for extraordinary circumstances.” But here it may be remarked that the evolution of the systems of American finance seems to lead slowly but surely to an entire divorce of banking from currency, and the day is not far distant when the circulating medium of the United States will consist of gold and silver, and of government issues restricted, according to the English principle, to the minimum of circulation, and kept equivalent to coin by a specie reserve in the treasury; while the banks, their circulation withdrawn and the institutions freed from any tax, will be confined to their legitimate business of receiving deposits and making loans and discounts.

On October 14, 1814, Alexander J. Dallas, Mr. Gallatin's old friend, who had been appointed secretary of the treasury on the 6th of the same month, in a report of a plan to support the public credit, proposed the incorporation of a national bank. A bill was passed by Congress, but returned to it by Madison with his veto on January 15, 1815. In this peculiar document Madison “waived the question of the constitutional authority of the legislature to establish an incorporated bank, as being precluded, in his judgment, by repeated recognitions, under varied circumstances, of the validity of such an institution in acts of the legislative, executive, and judicial branches of the government.” But he objected for reasons of detail. Mr. Dallas again, as a last resort, insisted on a bank as the only means by which the currency of the country could be restored to a sound condition. In December, 1815, Dallas reported to the committee of the House of Representatives on the national currency, of which John C. Calhoun was chairman, a plan for a national bank, and on March 3, 1816, the second Bank of the United States was chartered by Congress. The capital was thirty-five millions, of which the government held seven millions in seventy thousand shares of one hundred dollars each. Mr. Madison approved the bill. This completed the abandonment of every shred of principle claimed by the Republican party as their rule of action. They struggled through the rest of their existence without a political conviction. The national bank, and the system of internal taxation which had been scorned by Jefferson and Madison as unconstitutional, were accepted actually under Madison's administration. Gallatin's success, owing to the development and application of Hamilton's plans, was a complete vindication of the theory and practice of the Federalists which they abhorred; Jefferson's plan of a government issue of paper money was a higher flight into the upper atmosphere of implied powers than Hamilton ever dreamed of.

The second national bank of the United States was also located at Philadelphia, and chartered for twenty years. The manner in which it performed its financial service is admirably set forth in Mr. Gallatin's “Considerations on the Currency,” already mentioned. It acted as a regulator upon the state banks, checked excessive issues on their part, and brought the paper currency of the country down from sixty-six to less than forty millions, before the year 1820.

In April, 1816, Mr. Dallas having signified his intention to resign the Treasury, Mr. Madison wrote to Gallatin, offering him his choice between the mission to France and the Treasury Department. Mr. Gallatin's reply was characteristic. He declined the Treasury, but with reluctance, since he thought he would be more useful at home than abroad, and because he preferred to be in America rather than in Europe. One of his preponderating reasons was that, although he felt himself competent to the higher duties of the office, there was, for what he conceived “a proper management of the Treasury, a necessity for a mass of mechanical labor connected with details, forms, calculating, etc., which having lost sight of the thread and routine, he could not think of again learning and going through.” He was aware that there was “much confusion due to the changes of office and the state of the currency, and thought that an active young man could alone reinstate and direct properly that department.”

In June of the same year, while waiting for the Peacock, which was to carry him across the sea, Gallatin wrote Mr. Madison an urgent letter, impressing upon him the necessity of restoring specie payment, and his perfect conviction that nothing but the will of the government was wanted to reinstate the country in its moral character in that respect. He dreaded the “paper taint,” which he found spreading as he journeyed northward.

In January 1817, delegates from the banks of New York, Philadelphia, Baltimore and Virginia met in Philadelphia and agreed to a general and simultaneous resumption of specie payments. The Bank of the United States proposed a compact which was accepted by the state banks and ratified by the secretary of the treasury. That institution engaged, to a reasonable extent, to support any bank menaced. This engagement and the importation of seven millions of specie from abroad by the Bank of the United States secured a general restoration of specie payment. In 1822 Mr. Gallatin was tendered and declined the office of president of the Bank of the United States.

In 1829 he prepared for Mr. Ingham, then secretary of the treasury, a masterly statement of the relative value of gold and silver. In 1830 Mr. Gallatin wrote for the “American Quarterly Review”

his essay, “Considerations on the Currency and Banking System of the United States.” Appearing at the time when the renewal of the charter of the Bank of the United States was an absorbing question, this essay was equally sought for by both the friends and opponents of the bank. It is not confined, however, to this subject, but covers the entire field of American finance. His treatment of the currency question was novel. He analyzed the systems of Europe, compared them with those which prevailed in the United States, and reached the conclusion, the general correctness of which has been justified by the experience of all other nations, and sooner or later will be accepted by our own; namely, the necessity of a currency strong in the precious metals, and the restriction of paper money to notes of one hundred dollars to be issued by the government. This limit is higher than that adopted in France and England, but the general principle that a circulating medium is sound only as it is strong in gold and silver, and that gold and silver can only be retained permanently by making a place for them in the circulating medium by a restriction of paper issues, will yet find favor even in this paper-loving country.

In 1832 Mr. Gallatin accepted the presidency of a bank in New York, the subscription to the stock of which, $750,000, was completed by Mr. John Jacob Astor on condition that Mr. Gallatin should manage its affairs. The direction of its concerns, without absorbing his time, kept him in the financial current. The bank was called the National Bank of New York. But not in this modest post was he to find the financial path smooth. It is true he had lived in the flesh to see the financial millennium. The rapid growth of the country and the faithful adherence of his successors in the Treasury Department to the funding principle had at last realized his dream. The national debt was extinguished. The last dollar was paid. Louis McLane, secretary of the treasury, on December 5, 1832, in his report on the finances, said that the dividends derived from the bank shares held by the United States were more than was required to pay the interest, and that the *debt* might therefore be considered as substantially extinguished after January 1, 1833.

On December 3, 1833, Roger B. Taney, secretary of the treasury, reported to Congress that he had directed the removal of the deposits of the government from the Bank of the United States and placed them in banks of his own selection. He gave a number of reasons for this extraordinary exercise of the power which he obtained by his appointment on September 23, 1833. He received his reward in June, 1834, being then transferred by President Jackson to the seat of chief justice of the Supreme Court. In his annual report Taney named, among his elaborate reasons for the removal, that the bank had used its money for electioneering purposes, and that he “had always regarded the result of the last election of President of the United States as the declaration of a majority of the people that the charter ought not to be renewed.” He further expressed the opinion “that a corporation of that description was not necessary either for the fiscal operations of the government or the general convenience of the people.” It mattered little to him that Mr. Gallatin had only recently pointed out that from the year 1791 the operations of the Treasury had, without interruption, been carried on through the medium of banks; during the years 1811 to 1814, by the state banks, with a result which no one had as yet forgotten; before and since that brief interval through the Bank of the United States. Enough for Taney, that it was the will of his imperious master, 'the pugnacious animal,' as Gallatin aptly termed him.

In October, 1834, Taney's successor in the Treasury, Levi Woodbury, gave notice that the remaining debt, unredeemed after January 1, 1835, would cease to bear interest and be promptly paid on application to the commissioners of loans in the several States. On December 8, 1835, Mr. Woodbury reported “an unprecedented spectacle presented to the world of a government virtually without any debts and without any direct taxation.” The surplus revenues, about thirty-seven and a half millions of dollars, had by an act of the previous session been distributed among the several States. But the secretary and the country soon found that they were on dangerous ground. In December, 1837, the same secretary, alarmed at his responsibility, said to Congress, in warning words, “We are without any national debt to absorb and regulate surpluses, or any adequate supply of banking institutions which provide a sound currency for general purposes by paying specie on demand, or which are in a situation fully to command confidence for keeping, disbursing, and transferring the public funds in a satisfactory manner.”

The Bank of the United States, on the expiration of its charter in March, 1836, accepted a charter from the State of Pennsylvania; but, though its influence continued to be as great, its direction was no longer the same. Abandoning its legitimate business, it speculated in merchandise, and even kept an agent in New Orleans to compete with the Barings in purchases of the cotton crop as a basis for exchange. Precisely as in 1811, after the withdrawal of the control of the Bank of the United States, the state banks ran a wild career of speculation. From 1830 to 1837 three hundred new banks sprang up with an additional capital of one hundred and forty-five millions, doubling, as twenty years before, the banking capital of the country. This volume the deposits of the Treasury continued to swell. Mr. Woodbury was the first to take alarm. In December, 1836, he reported the specie in the country to have increased from thirty millions in 1833 to seventy-three millions at the date of his report, and the paper circulation, in the same period, to have advanced, since the removal of the deposits from the Bank of the United States, from eighty millions to one hundred and twenty millions, or forty millions in eighteen months; and the bank capital, in the same period, to have increased from two hundred to three hundred millions. Importation augmented; the balance of trade suddenly turned against the United States to the extent of one hundred and fifty millions, and coin began to flow abroad to liquidate the account. There was no debt to attract foreign investment and arrest the export of specie. Added to this was the withdrawal of the government deposits from the pet banks, which compelled an immediate contraction. The result was inevitable. On May 10, 1837, the New York banks suspended, Mr. Gallatin's institution being of course dragged down with the rest. It is idle to suppose that any single bank can hold out against a general suspension. It may liquidate or become a bank of deposits, but it cannot

maintain its relations with its sister institutions except on a basis of common accord.

A general suspension followed. Mr. Woodbury proved himself equal to the emergency, and recommended a plan of “keeping the public money under new legislative provisions without using banks at all as fiscal agents.” This was the beginning of the sub-treasury system, a new departure in treasury management, and a further evolution in American finance. It still remains, and will no doubt be permanent. Its establishment was necessary because of the absence of a national bank.

Mr. Gallatin at once turned his attention to bring about first a liquidation and then a resumption. It was a favorite maxim with him, that “the agonies of resumption are far harder to endure than those of suspension,” as it is easier to refrain from lapse of virtue than to restore moral integrity once impaired. But in resumption the suffering falls where it belongs, on the careless, the improvident, and the over-trader.

On August 15, 1837, the officers of the banks of New York city, in a general meeting, appointed a committee of three to call a convention of the principal banks to agree upon a time for a resumption of specie payments. This committee, of which Mr. Gallatin was chairman, on August 18 addressed a circular to the principal banks in the United States, inviting the expression of their wishes as to the time and place for a convention, suggesting New York as the place, and October, 1837, as the time. They said, in addition, that the banks of New York city, in view of the law of the State dissolving them as legal corporations in case of suspension for one year, must resume at some time between January 1 and March 15, 1838. The circular committed the New York banks to no definite action, but expressed the opinion that the fall in the rate of exchanges indicated an early return of specie to par, when resumption could be effected without danger. The banks of Philadelphia held a meeting on August 29, and adopted resolutions declaring it inexpedient to appoint delegates to the proposed convention. Aware of the reasons for this action, the chief of which was the extended and perhaps insolvent condition of the United States Bank of Pennsylvania, the New York committee invited the banks in the several States to appoint delegates to meet on November 27, 1837, in New York. Delegates from banks of seventeen States and the District of Columbia appeared. On the 30th resolutions were brought in recommending a general resumption on July 1, without precluding an earlier resumption on the part of such banks as might find it necessary. The Pennsylvania banks opposed this action with resolutions condemning the idea of immediate resumption as impracticable, and also, in the absence of delegates from the banks of Louisiana, Mississippi, Alabama, and Tennessee, as unwise. The convention met again on December 2, when an adjournment was carried to April 11, 1838, when delegates from the banks not represented were invited to attend. Mr. Gallatin saw that the combination of the Philadelphia and Boston banks, under the lead of Mr. Biddle, would certainly force a further postponement. Exchange on London, which had been as high as 121, the true par being about 109-1/2, nominal, had fallen to 111-1/2, which, considering that the city bank paper was at a discount of five per cent., was at the rate of 2-1/2 per cent. below specie par. The exportation of specie had entirely ceased.

On December 15 Mr. Gallatin and his committee appointed at the general convention submitted a report which he had drafted, which, though addressed to the New York banks, covered the whole ground. Meanwhile the highest authority in Pennsylvania had given it as his opinion “that the banks of Pennsylvania were in a much sounder state than before the suspension, and that the resumption of specie payments, so far as it depends on their situation and resources, may take place at any time.”

On February 28, 1838, Mr. Gallatin's committee made a further report showing that the liabilities of the New York banks had been reduced more than twelve millions and a half, or fifty per cent., and asserting that with the support of the community and the state authorities they could resume on an equal footing on May 10. This declaration was welcomed with great satisfaction by a general meeting of the citizens of New York. On April 11 the general convention again met in New York. The Philadelphia banks declined to attend. A letter from Mr. Woodbury promised the support of the Treasury Department. A committee of one from each State was appointed, which recommended the first Monday in October as the earliest day for a general resumption. The convention could not, however, be brought to fix upon so early a day, but finally fixed upon January 1, 1839, and adjourned. The New York banks would have accepted July 1, 1838, but this being refused they resumed alone on May 10, and the force of public opinion compelled resumption by nearly all the banks of the country on July 1.

The terrible contraction was fatal to the United States Bank of Pennsylvania, which after a vain struggle closed its doors in October, 1839, and carried with it the entire banking system of the Southern and Southwestern States. Although in no way similar to the semi-governmental institutions which preceded it, yet, from its similarity of name and identity of location, its disastrous failure added to the blind popular distrust of its predecessors, which narrow-minded politicians had fostered for their own selfish purposes. Fortunately the sub-treasury plan of Mr. Woodbury supplied the need of a safe place of deposit which, since the refusal of Congress to renew the charter of the old bank, had been sorely felt.

In 1838, on the foundation of the Bank of Commerce under the free banking law of the State of New York, the presidency of it was first tendered to Mr. Gallatin. The directors of this bank were among the most distinguished financiers of the city, and its object was to provide a conservative institution with sufficient power and capital to act as a regulator upon the New York banks. Profit to the stockholders was secondary to the reserve power for general advantage.

In June, 1839, Mr. Gallatin resigned his post as president of the National Bank of New York. In

1841 he published a financial essay, which he entitled “Suggestions on the Banks and Currency of the United States,” a paper full of information, but from the nature of the subject not to be compared in general interest with his earlier paper, which is as fresh to-day as when it was written. Mr. Gallatin condemned paper currency as an artificial stimulus, and the ultimate object of his essays was to annihilate what he termed the “dangerous instrument.” He admitted its utility and convenience, when used with great sobriety, but he deprecated its tendency to degenerate into a depreciated and irredeemable currency. This tendency the present national banking law arrests, but the law rather invites than prohibits the stimulus of increased issues. The last word has not yet been said on national currency, which, though the basis of all commercial transactions, has necessarily no other relation to banks than that which it holds to any individual in the community.

Economic questions have interested the highest order of mind on the two continents. Sismondi published a paper on commercial wealth in 1803, and in 1810 a memoir on paper money, which he prepared to show how it might be suppressed in the Austrian dominions; Humboldt made a special study of the sources and quantity of the precious metals in the world, in which Mr. Gallatin aided him by investigation in America. Michel Chevalier was interested in the same subjects; surviving his two masters in the art and witnessing the marvelous effects of the additions made by America to the store of precious metals, he continued the study in the spirit of his predecessors, and favored the world with instructive papers. Mr. Gallatin's contributions to this science are remarkable for minute research and careful deductions.

In 1843 President Tyler tendered the Treasury portfolio to Mr. Gallatin. The venerable financier looked upon the offer as an act of folly to which a serious answer seemed hardly necessary. Yet as silence might be misconstrued, he replied that he wanted no office, and to accept at his age that of secretary of the treasury would “be an act of insanity.” He was then in his eighty-third year. The offer of the post was but an ill-considered caprice of Mr. Tyler.

FOOTNOTES:

[10] Cents are omitted as confusing figures.

[11] The first Annual Report of the Secretary of the Treasury. This was under the Supplementary Treasury Act.

[12] Excess of receipts, notwithstanding the purchase of Louisiana and payments on account of principal and interest of the debt.

[13] These were the banks of New York, Boston, Philadelphia, and Baltimore. Seven presidents formed the committee. John A. Stevens of New York was chairman, by request of the Secretary of the Treasury. The other members were named by him. The sum advanced to the government was one hundred and fifty millions of dollars in coin.

[14] At Portland, $120,000; Salem, $183,600; Boston, $75,300; Providence, $67,800; Richmond, $49,000; Norfolk, $103,000; Charleston, $354,000.

[15] Report of Secretary Dallas, September 20, 1816.

[16] Act of March 3, 1817.

[17] *Democratic Review*, xii. 641.

[18] Chairman of the Committee of Ways and Means.

CHAPTER VII

ToC

IN THE CABINET

The general principles which Mr. Jefferson proposed to apply in his conduct of the government were not principles of organization but of administration. The establishments devised by Hamilton, in accordance with or in development of the provisions of the Constitution, were organic. The new policy was essentially restrictive and economic. The military and naval establishments were to be kept at their lowest possible limit. The Treasury Department was to be conducted on strictly business principles. The debt was to be reduced and finally paid by a fixed annual appropriation. The revenue was to be raised by imposts on importation and tonnage, and by direct taxation, if necessary. The public land system was to be developed. A scheme of internal improvements by land and water highways was to be devised. All these purposes except the last had been declared by the opposition during the last part of Washington's second term and during Adams's presidency, and had been lucidly expounded by Madison, Gallatin, Giles, Nicholas, and others of the Republican leaders. On all these subjects Mr. Gallatin was in accord with his chief. Only upon the bank question were they at issue. Mr. Jefferson detested or feared the aristocracy of money, while Gallatin, with a clearer insight into commercial and financial questions, recognized that in a young country where capital was limited, and specie in still greater disproportion to the increasing demands of trade, a well-ordered, well-managed money institution was an enormous advantage, if not an imperative necessity to the government and the people.

Peace was necessary to the success of this general policy of internal progress, but peace was not

to be had for the asking. It was not till half a century later that the power of the western continent as a food-producing country was fully felt by Europe, and peace with the United States became almost a condition of existence to millions in the old world, while this country became independent, in fact as in name, to the fullest meaning of the word. Peace was not menaced during Jefferson's first administration, for the Federalists had left no legacy of diplomatic discord to embarrass their successors. The divisions of opinion were on home affairs. The Republican party was the first opposition which had reached power since the formation of the government. The Federalists had not hesitated to confine the patronage of the executive to men of their own way of thinking. The Republicans had attacked that principle. There were men even in the ranks of Jefferson's administration who scouted the idea that the President of the United States could become “the President of a party.” But practice and principle are not always in accord, even in administrations of sentimental purity, and the pressure for office was as great in 1800 as it has ever since been on the arrival of a new party to power. Beyond all other departments of government, the Treasury depends for its proper service upon business capacity and a knowledge of the principles of accounting and office routine. Mr. Gallatin was well aware of the difficulties his predecessors had encountered in finding and retaining competent examining and auditing clerks. As there was no reason to suppose that all this talent was to be found in the ranks of the Republican party, and his common sense pointed out the folly of limiting the market of supply, he early (July 25, 1801) prepared a circular to collectors, in which he informed them “that the door of office was no longer to be shut against any man because of his political opinions, but that integrity and capacity suitable to the station were to be the only qualifications required; and further, the President, considering freedom of opinion or freedom of suffrage at public elections imprescriptible rights of citizens, would regard any exercise of official influence to sustain or control the same rights in others as injurious to the public administration and practically destructive of the fundamental principles of a republican Constitution.” But Mr. Jefferson and Mr. Madison opposed this simple declaration of a principle which has since been the base of every attempt at reform in the civil service. Mr. Jefferson answered that after one half of the subordinates were exchanged, talents and worth might alone be inquired into in the case of new vacancies. This was a miserable shuffling policy which defeated itself. For a Federalist to retain office when such a discrimination was applied was of itself a degradation. Mr. Jefferson here threw away and forever lost the power to establish the true system, and fixed the curse of patronage upon American administration. The true principle may be stated in the form of an axiom. Administrations should rely for continuation upon measures, not on patronage. Gallatin yielded with reluctance to the spirit of persecution which he did not hesitate to say disgraced the Republican cause, and sank them to a level with their predecessors. Notwithstanding his aversion, he was compelled to follow the policy of the cabinet. Its first result was to divide the Republican party, and to alienate Burr, whose recommendation of Matthew L. Davis for the naval office at New York was disregarded. Had the new administration declined to make removals except for cause, such a dispute would have been avoided. As it was, the friends of Burr considered the refusal as a declaration of war. Appointments became immediately a part of the machinery of Republican administration, as it had been part of that of their predecessors, and each was carefully weighed and considered in its reference to party quite as much as to public service.

Already looking forward to the next presidential election, Gallatin was anxious for an agreement upon Jefferson's successor, and even before the meeting of the first Congress of his term he advised the President on this point, and he also proposed the division of every State into election districts by a general constitutional provision.

Jefferson submitted the draft of his annual messages to the head of each department, and invited their comments. Gallatin was minute in his observations, and it is interesting to note the peculiar precision and caution of his character in the nice criticisms of language and style, sometimes declaratory, sometimes non-committal, but always and obviously reasonable, and often presenting a brief argument for the change proposed. In these days of woman's rights it is curious to read “Th. J. to Mr. Gallatin. The appointment of a woman to office is an innovation for which the public is not prepared, nor am I.”

Gallatin suggested a weekly general conference of the President and the secretaries at what is now styled a cabinet meeting, and private conferences of the President with each of the secretaries once or twice a week on certain days and at fixed hours. The business to come before the House was also to be considered, and the policy to be pursued determined upon. Unfortunately in this case again Jeffersonian theory did not accord with Jeffersonian practice. Even erratic Randolph complained of the want of system at these cabinet meetings, where each was at liberty to do and say as he chose; a severe trial, this, to Gallatin. In 1845 Mr. Gallatin wrote to Edward Coles that it was “quite unusual to submit to the cabinet the manner in which the land or naval forces authorized by Congress, and for which appropriations had been made, should be employed,” and added that on no occasion, in or out of cabinet, was he ever consulted on those subjects prior to the year 1812.

In the difficulty which arose with the Barbary powers Mr. Gallatin earnestly urged the payment of an annuity to Tripoli, if necessary for peace. He considered it a mere matter of calculation whether the purchase of peace was not cheaper than the expense of a war. This policy was to be continued for eight years, at the end of which he hoped that a different tone might be assumed. In a note on the message of 1802, Gallatin expressed the hope to Jefferson that his administration would “afford but few materials for historians.” He would never sacrifice permanent prosperity to temporary glitter.

Mr. Gallatin's counsel was sought, and his opinion deferred to, on subjects which did not fall

directly within the scope of administration. Even on questions of fundamental constitutional law his judgment was not inferior to that of Madison himself. In one notable instance he differed from Mr. Lincoln, the attorney-general, whom he held in high esteem as a good lawyer, a fine scholar, “a man of great discretion and sound judgment.” This was in 1803, when the acquisition of East Louisiana and West Florida was a cabinet question. Mr. Lincoln considered that there was a difference between a power to acquire territory for the United States and the power to extend by treaty the territory of the United States, and held that the first was unconstitutional. Mr. Gallatin held that the United States as a nation have an inherent right to acquire territory, and that, when acquisition is by treaty, the same constituted authorities in whom the treaty power is vested have a constitutional right to sanction the acquisition, and that when the territory has been acquired Congress has the power either of admitting into the Union as a new State or of annexing to a State, with the consent of that State, or of making regulations for the government of the territory. Mr. Jefferson concurred in this opinion, while at the same time he thought it safer not to permit the enlargement of the Union except by amendment of the Constitution. Mr. Gallatin's view was practically applied in the cases named, and later in the annexation of Texas, although he disapproved of the latter as contrary to good faith and the law of nations. He advised Jefferson, also, not to lay the treaty by which Louisiana was acquired before the House until after its ratification by the Senate, taking the ground that until then it was not a treaty, and urging that great care should be taken to do nothing which might be represented as containing any idea of encroachment on the rights of the Senate. He personally interested himself in the arrangements for taking possession of New Orleans, and, considering the expense as trifling compared with the object, urged the dispatch of an imposing force of not less than fifteen thousand men, which would add to the opinion entertained abroad of our power, resources, and energy; five thousand of these to be active troops; ten thousand an enrolled reserve. The acquisition of Louisiana was the grand popular feature of the foreign policy of the first term of Jefferson's administration. The internal management left much to be desired.

While his general views were exalted, and his principles would stand the nicest examination in their application, Mr. Jefferson was not fortunate in his choice of methods or men. It is not enough for an administration to be pure; it should be above suspicion. This his was not. Time has not washed out the stain of his intimacy with William Duane, the editor of the infamous “Aurora.” Citizen Duane, as he styled himself in the first days of the administration, quarreled with Gallatin because he would not apply the official guillotine, and thereafter pursued him with uncompromising hostility. Of favoritism in appointments Mr. Gallatin could not be accused. During his twelve years in the Treasury he procured places for but two friends; one was given an obscure clerkship in the department; the other, John Badollet, was made register in the land office at Vincennes, against whom Gallatin said in the application for appointment which he reluctantly made, there was but one objection, “that of being his personal and college friend.”

The dispositions for the sale of lands in the western territory, the extinguishment of titles, and the surveys fell under Mr. Gallatin's general supervision, and were the objects of his particular care. So also was the establishment of the authority of the United States in the Louisiana territory. In the course of these arrangements he was brought into contact with Mr. Pierre Chôteau of St. Louis, who controlled the Indian trade of a vast territory. The foundation of an intimate acquaintance was then laid. The influence of this remarkable man over the Western Indians and the extent of his trading operations with them was great, and has never since been equaled. About this period Mr. John Jacob Astor informed the government that he had an opportunity, of which he intended to take advantage, to purchase one half of the interest of the Canadian Fur Company, which, notwithstanding the treaty of 1794, engrossed the trade by way of Michilimackinac with our own Indians. Before that period this lucrative traffic had been exclusively in British hands, and the hostility of the Indian tribes rendered any interference in it by Americans dangerous to life and property, and their participation since had been merely nominal. Jefferson's cabinet received the proposal with satisfaction, but, in their strict interpretation of the Constitution, could find no way of giving any aid to the scheme beyond the *official* promise of protection, which it fell to Mr. Gallatin to draft. Mr. Jefferson wrote to Mr. Astor a letter to the same effect. Mr. Astor, however, was not deterred from his enterprise, but, under the charter of the American Fur Company granted by the State of New York, extended his project to the Indians west of the Rocky Mountains, and made of it an immense business, employing several vessels at the mouth of the Columbia River and a large land party beyond the Rocky Mountains. He finally founded the establishment of Astoria. This settlement fell into the hands of the British during the war of 1812. Mr. Astor sought to persuade the American government to permit him to renew the establishment at its close, only asking a flag and a lieutenant's command, but Mr. Madison would not commit himself to the plan.

Among Mr. Jefferson's pet schemes was that of a substitution of gunboats for fortifications, and for supporting the authority of the laws within harbors. The mind of Mr. Jefferson had no doubt been favorably disposed to this mode of offensive defense by the experience of Lafayette at Annapolis, in his southern expedition in the spring of 1781, when his entire flotilla, ammunition of war, and even the city of Annapolis, were saved from destruction by two improvised gunboats, which, armed with mortars and hot shot, drove the British blockading vessels out of the harbor. Jefferson first suggested the scheme in his annual message of 1804, and Gallatin did not interfere; but when, in 1807, the President insisted, in a special message, on the building of two hundred vessels of this class, Mr. Gallatin objected, because of the expense in construction and maintenance, and secondly, of their infallible decay. Mr. Jefferson persisted, and Mr. Gallatin's judgment was vindicated by the result. Two years later, of one hundred and seventy-six gunboats constructed, only twenty-four were in actual service. In his letter of criticism, Mr. Gallatin gave as his opinion, that “it would be an economical measure for every naval nation to burn their navy at the end of a

war and to build a new one when again at war, if it was not that time was necessary to build ships of war." The principle was the same as to gunboats, and the objection of time necessary for building did not exist.

This year he also laid before the President a memorandum of preparatory measures for defense against Great Britain, from whom an attack was expected by land and sea, and a second plan for offensive operations on the northern frontier, which is complete in its geographical and topographical information, and its estimate of resources in men, material, and money. At the same time he urged upon Mr. Jefferson to moderate the tone of his message, so as not to widen the breach by hurting the pride of Great Britain.

In connection with the land system, Mr. Jefferson favored, and Mr. Gallatin devised, an extensive plan of internal improvements. The route of the Cumberland road from the Potomac to the Ohio was reported to Congress in 1807; a coast survey was ordered in the same year. The first superintendent was Hassler, a Swiss, whom Mr. Gallatin brought to the notice of Mr. Jefferson. In 1808 a general plan of improvement was submitted to the Senate. This included canals parallel with the seacoast, making a continuous line of inland navigation from the Hudson to Cape Fear; a great turnpike from Maine to Georgia; the improvement of the Susquehanna, Potomac, James, and Santee rivers to serve the slope from the Alleghanies to the Atlantic; of the Alleghany, Monongahela, and Kanawha, to serve the country westward to the Mississippi, the head waters of these rivers to be connected by four roads across the Appalachian range; a canal at the falls of the Ohio; a connection of the Hudson with Lake Champlain, and of the same river with Lake Ontario at Oswego; and a canal around Niagara Falls. The entire expense he estimated at $20,000,000, to be met by an appropriation of $2,000,000 a year for ten years; the stock created for turnpikes and canals to be a permanent fund for repairs and improvements.

A national university for education in the higher sciences was also recommended by Jefferson in his message of 1806, but Mr. Gallatin had little faith in the popularity of this scheme. After the convulsion of 1794 in Geneva, Gallatin's old college mate, D'Yvernois, conceived the plan of transporting the entire University of Geneva to the United States, and wrote on the subject to Jefferson and Adams; but his idea was based on the supposition that fifteen thousand dollars' income could be had from the United States in support of the institution, which was, of course, at the time impracticable. Jefferson believed that these plans of national improvement could be carried into effect only by an amendment to the Constitution; but Mr. Gallatin, as in the bank question, was disturbed by no such scruples, and he recommended Mr. Jefferson to strike from his message the words "general welfare," as questionable in their nature, and because the proposition seemed to acknowledge that the words are susceptible of a very dangerous meaning.

To a permanent embargo act Mr. Gallatin was from the beginning opposed. He recognized the mischief of government prohibitions, and thought that statesmen might well hesitate before they took the hazard of regulating the concerns of individuals. The sequel proved the correctness of this judgment. But Mr. Jefferson could not bring his mind to any more decisive measure, indeed, it may justly be said, to any measure whatever. Taking advantage of Mr. Madison's election to the presidency, he simply withdrew from the triumvirate, and, passing over the subject in silence in his last message, he ignominiously left to Mr. Madison and Mr. Gallatin the entire responsibility which the threatening state of the foreign relations of the country imposed on the Republican party.

The question was now between the enforcement of the Embargo Act and war. To take off the embargo seemed a declaration of weakness. To add to it a non-importation clause was the only alternative. In November, 1808, Mr. Gallatin prepared for George W. Campbell, chairman of the Committee on Foreign Relations of the House, the declaration known as Campbell's report, which recited, in clear, compact form, the injuries done to the United States by Great Britain, and closed with resolutions to the effect that the United States could not submit to the edicts of Great Britain and France, and with a recommendation of non-intercourse and for placing of the country in a state of defense. After long debate the resolutions were adopted by large majorities, and the policy of resistance was finally determined upon—resistance, not war. Thus the United States resorted, as the colonies had resorted in 1774, to a policy of non-importation. But the condition of the States was not that of the colonies. Then all the colonies were commercial, and the entire population was on the seaboard; the prohibition fell with equal weight upon all. Now there were large interior communities whom restrictions upon commerce would rather benefit than injure. Yet neither the Sons of Liberty nor the non-importation associations had been able to enforce their voluntary agreements either before or after the Congress of 1774. If this were to be the mode of resistance, stringent measures must be adopted to make it effective. Mr. Gallatin accordingly called upon Congress for the necessary powers. They at once responded with the Enforcement Act, which Mr. Gallatin proceeded to apply with characteristic administrative vigor, and summoned Jefferson to authorize the collectors of revenue to call the military force of the United States to support them in the exercise of their restrictive authority. There was to be no evasion under the systems which Hamilton devised and Gallatin knew so well how to administer.

His annual report made to Congress on December 10 had clearly set forth the situation, and, without recommending war, had pointed out how it might be carried on. Macon wrote of him on December 4 to their mutual friend, Joseph H. Nicholson, "Gallatin is decidedly for war." After his report was sent in the situation became still more perplexing. Rumors came of an intention to call a convention of the five New England States, with New York, if possible, to take ground against the embargo. As these indications of dissatisfaction became manifest, and the contingency of the employment of force at home presented itself, Gallatin made a careful balance of the advantages and inconveniences of embargo, non-intercourse, and letters of marque. This paper, dated

February, 1809, and entitled, “Notes on the Political Situation,” no doubt served as a brief for consultation with Madison upon his inaugural message, it being then understood that Gallatin was to be secretary of state. As he states one of the advantages of letters of marque to be “a greater chance of unity at home,” this measure he probably preferred. The Senate had already, on January 4, passed a bill ordering out the entire naval force of the country, and on the 10th the House adopted the same bill by a vote of 64 to 59. Mr. Gallatin opposed this action strenuously. On February 2 the House voted by a large majority to remove the embargo on March 4. Non-intercourse with Great Britain and France and trade everywhere else were now the conditions. This significant expression of the feeling of Congress no doubt determined Mr. Gallatin to suggest letters of marque. Whether he pressed them upon Mr. Madison or not is uncertain. Meanwhile Mr. Gallatin suffered the odium of opposition to the will of Congress, and Mr. Madison's power was broken before he took his seat. A few Republican senators inaugurated an opposition to their chief after the fashion of modern days, and Mr. Madison was given to understand that Mr. Gallatin would not be confirmed if nominated as secretary of state. Mr. Madison yielded to this dictation, and from that day forward was, as he deserved to be, perplexed and harassed by a petty oligarchy. Mr. John Quincy Adams, in a note on this affair, says that, “had Mr. Gallatin been appointed secretary of state, it is highly probable war with Great Britain would not have taken place.” But it is improbable that any step in foreign intercourse was taken without Mr. Gallatin's knowledge and approbation. Such are the traditions of the triumvirate.

The first term of Madison's administration was not eventful. There was discord in the cabinet. In the Senate the “invisibles,” as the faction which supported Robert Smith, the secretary of state, was aptly termed, rejected Madison's nominations and opposed Gallatin's financial policy as their interests or whims prompted. Randolph said of Madison at this time, that he was “President *de jure* only.” Besides this domestic strife, the cabinet was engaged in futile efforts to resist the gradually tightening cordon of British aggression. Erskine's amateur negotiations, quickly disavowed by the British government, and the short and impertinent mission of Jackson, who succeeded him and was dismissed from the United States, well served Canning's policy of delay. Madison, whose prejudices were as strongly with Englishmen and English ways as those of Jefferson were with the men and manners of France, averse to war and withheld also by Gallatin's persistent objections, negotiated and procrastinated until there was little left to argue about. In December, 1809, Macon made an effort to pass a stringent navigation act to meet the British Orders in Council and the French decrees. The bill passed the House but was emasculated in the Senate, the Republican cabal voting with the Federalists to strike out the effective clauses. The act interdicting commercial intercourse with Great Britain and France expired in May, 1810, and was not revived. A new act was passed, which was a virtual surrender of every point in dispute. Resistance was abandoned, and our ships and seamen were left to the mercy of both belligerents.

Mr. Gallatin's entire energies were bent upon strengthening the Treasury and opposing reckless expenditures. His most grievous disappointment, however, was in the refusal of Congress to renew the charter of the Bank of the United States. He used every possible effort to save this institution, which, in the condition of the country, was indispensable to a sound currency and the maintenance of specie payment. But with the dead weight of Mr. Madison's silence, if not indifference, the struggle was unequal and the bank fell. The course of Mr. Madison can hardly be excused. Political history records few examples of a more cruel desertion of a cabinet minister by his chief. Mr. Gallatin felt it deeply and tendered his resignation. The administration was going to pieces by sheer incapacity. The leaders took alarm and the cabinet was reconstructed, Monroe being called to the Department of State. But the enemies of Mr. Gallatin still clung to his skirts, determined to drag him to the dust. Duane attacked him in the most dangerous manner. Probably no man in America has ever been abused, vilified, maligned with such deliberate persistency as was Gallatin in the “Aurora” from the beginning of 1811 until the cabinet crisis, when Mr. Madison was compelled to choose between Smith and himself. Day after day leaders were devoted to personal assault upon him and to indirect insinuations of his superiority to Madison, by which the artful editor sought to arouse the jealousy of the President. The “Atlas at the side of the President,” the “Great Treasury Law Giver,” the “First Lord of the Treasury,” the “Dagon of the Philistines,” were favorite epithets. He was charged by turns with betraying cabinet secrets to Randolph, with amateur negotiation with Erskine, and with subserviency to British gold in the support of the Bank of the United States. Here is an instance of Duane's style: “We can say with perfect conviction that, if Mr. Madison suffer this man to lord it over him, Mr. Gallatin will drag him down, for no honest man in the country can support an administration of which he is a member with consistency or a pure conscience.” It was charged upon Gallatin that his friends considered him as the real, while Madison was the nominal, president. More than this, he was accused of embezzlement and enormous speculations in the public lands. Gallatin's party pride must have been strong indeed to have induced him to stay an hour in an administration which granted its favors to the author of such assaults upon one of its chosen leaders.

Jefferson wrote to Mr. Wirt in May following, that, because of the bank, endeavors were made to drive from the administration (of Mr. Madison) the ablest man, except the President, who ever was in it, and to beat down the President himself because he was unwilling to part with such a counselor.

Monroe was appointed secretary of state in Smith's place in April, 1811. Other changes followed in the cabinet, but brought little relief to Mr. Gallatin. Financial affairs now occupied his entire attention; on the one hand was a diminishing treasury; on the other an expenditure reckless in itself and beyond the demands of the administration. Without the sympathy of either the Senate or House, Mr. Gallatin's position became daily more irksome, until at last he abandoned all attempt to control the drift of party policy, took the war party at their word, and sent in to the House a war

budget.

Unfortunately for the country, the Republican party knew neither how to prepare for war, nor how to keep the peace. Mr. Madison had none of the qualifications of a war President; neither executive ability, decision of character, nor yet that more important faculty, knowledge of men. In his attachment to Mr. Madison and in loyalty to what remained of the once proud triumvirate of talent and power, Mr. Gallatin supplied the deficiencies of his fellows as best he could, until an offer of mediation between the United States and Great Britain on the part of the emperor of Russia presented an opportunity for honorable withdrawal and service in another and perhaps more congenial field. In March, 1813, the Russian minister, in a note to the secretary of state, tendered this offer. Mr. Gallatin had completed his financial arrangements for the year, and requested Mr. Madison to send him abroad on this mission. Unwilling to take the risk of new appointments, the President acceded to this proposal, and gave him leave of absence from his post in the Treasury. Mr. Gallatin did not anticipate a long absence, and felt, as he said to his old friend Badollet, that he could nowhere be more usefully employed than in this negotiation. Certainly he could have no regret in leaving a cabinet which had so little regard to his own feelings and so little political decency as to confer the appointment of adjutant-general in the United States army on his malignant assailant, William Duane of the “Aurora.”

Mr. Gallatin's mission, followed by the resignation of his post in the cabinet, finally dissolved the political triumvirate, but not the personal friendship of the men. Numerous attempts were made to alienate both Jefferson and Madison from Gallatin while he held the portfolio of the Treasury, but one and all they signally and ignominiously failed. For Mr. Jefferson Mr. Gallatin had a regard near akin to reverence. A portrait of the venerable sage was always on his study table. When about setting out for France in 1816 he tendered his services to his old chief and wrote to him that 'in every country and in all times he should never cease to feel gratitude, respect, and attachment for him.' Jefferson fully reciprocated this regard. From Monticello he wrote to Gallatin in 1823: “A visit from you to this place would indeed be a day of jubilee, but your age and distance forbid the hope. Be this as it will, I shall love you forever, and rejoice in your rejoicings and sympathize in your ails. God bless and have you ever in His holy keeping.” Nor does Mr. Gallatin seem to have allowed any feeling of disappointment or dissatisfaction at Mr. Madison's weakness to disturb their kindly relations. Their letters close with the reciprocal assurance of affection as well as of esteem.

CHAPTER VIII

ToC

IN DIPLOMACY

The Treaty of Ghent

On May 9, 1813, the ship Neptune sailed from New Castle on the Delaware, having on board Albert Gallatin and James A. Bayard, ministers of the United States, with their four secretaries, of whom were Mr. Gallatin's son James, and George M. Dallas, son of his old Pennsylvania friend. They were accompanied to sea by a revenue cutter. Off Cape Henlopen they were overhauled by the British frigate on the station, and their passport was countersigned by the English captain. On June 20 they reached the mouth of the river Gotha. Here the vessel lay at quarantine for forty-eight hours, during which the gentlemen paid a flying visit to Gottenburg. At dusk, on the 24th, the Neptune anchored in Copenhagen inner roads, the scene of Nelson's attack in 1801. Mr. Gallatin's brief memoranda of his voyage contain some crisp expressions. He found “despotism and no oppression. Poverty and no discontent. Civility and no servile obsequiousness amongst the people. Decency and sobriety.”

St. Petersburg was reached on July 21. Here Gallatin and Bayard found John Quincy Adams, then minister to Russia. He was one of the three commissioners appointed to treat for peace under the mediation which the Emperor Alexander had offered to the United States. Bayard and Adams were Federalists. To the moderate counsels of the former Jefferson owed his peaceable election. Gallatin and Adams had the advantage of thorough acquaintance with European politics. To Gallatin the study of history was a passion. He was familiar with the facts and traditions of diplomacy. He knew the purpose, the tenor, and the result of every treaty made for centuries between the great powers; even their dates were at ready command in his wonderful memory. But, excepting the few Frenchmen of distinction who in the exile which political revulsions imposed upon them had crossed the sea, he had no acquaintance with Europeans of high position, and none whatever with the diplomatic personnel of European courts. In this Adams was more fortunate. Educated abroad, while his father was minister to the court of St. James, he was from youth familiar with courts and their ways. To be the son of a president of the United States was no small matter at that day. The conjunction of these two men was rare. One of European birth and trained to American politics, the other of American birth and brought up in the atmosphere of European diplomacy. In their natural characteristics they were the opposite of one another. Adams was impetuous, overbearing, impatient of contradiction or opposition. Gallatin was calm, self-controlled, persistent; not jealous of his opinions, but ready to yield or abandon his own methods, if those of others promised better success; never blinded by passion or prejudice, but holding the end always in view. That end was peace; “peace at all times desirable,” as Mr. Gallatin said a few days before his departure on his mission, but much more so, 'because of the incapacity shown in the conduct of the war, its inefficiency when compared with its expense, and the open hostility to it of a large number of the American people.' In the face of the disasters which had befallen the

country Mr. Gallatin must have felt some qualms of conscience for his persistent opposition to the military and naval establishments. Their reorganization had place in his desire for peace. He said, May 5, 1813: “Taught by experience, we will apply a part of our resources to such naval preparations and organization of the public force as will, within less than five years, place us in a commanding situation.” With the particulars of the dispute between the two countries he was perfectly familiar. His report prepared in 1808 for Mr. Campbell, chairman of the Committee on Foreign Relations, covered the whole ground of the American argument.

At the outset there seemed good ground for hope of an early agreement. European politics were at a critical point, and England naturally wished to husband her resources for a sudden emergency. The mediation of Russia Mr. Gallatin considered a salve to the pride of England. This reasoning seemed sound enough, but it had not taken account of one important element: the jealousy of England of any outside interference between herself and her ancient dependencies. Mr. Gallatin did not hold English diplomacy in very high regard. Late in life he said that the history of the relations of England and France was a story of the triumphs of English arms and of French diplomacy; that England was always victorious, but France had as often negotiated her out of the fruits of success. True as this remark was in general, it cannot be said of the policy of England in American affairs. She pushed to the utmost her exclusion of France from the American continent when the States were colonies, and now that they were free and independent she would listen to no foreign intervention. Neither in peace nor war should any third government stand between the two nations. This was and ever has been the true policy of Great Britain, and that it was not lost sight of in the heat of war is to the credit of her diplomacy. The offer of Russia to mediate was not welcome, and was set aside by Lord Castlereagh in a note of discouragement. There was no ground for the commissioners to stand upon; moreover the emperor and Count Nesselrode were absent from St. Petersburg, Count Romanzoff being left in charge of the foreign relations. The offer of mediation had originated with him. His policy was to curb the maritime power of England, and to secure in the negotiation a modification at least of the offensive practice of Great Britain in her assumed police of the sea.

The war was in fact a legacy of the necessarily incomplete diplomacy of Washington's administration and the Jay treaty. The determining cause was the enforcement of the right of search and the impressment of seamen from American vessels; a practice at variance with the rights and the law of nations. Monroe, Madison's secretary of state, urged the clear and distinct forbearance of this British practice as the one object to be obtained. An article in the treaty giving security in that respect was by Gallatin, as well as by Monroe, considered a *sine qua non* condition; while Mr. Bayard viewed an informal arrangement as equally efficient and more practicable than a solemn article. But there was no doubt of Bayard's determination to reach the result prescribed in their instructions.

Mr. Gallatin's first act after setting foot on European shores was to write to Baring Brothers & Co. at London. This he did from Gottenburg, requesting a passport for the Neptune, which the commission proposed to retain at St. Petersburg until their return. At the same time he intimated that he wished the British government to be informed of the object of the mission. For the expenses of the commission the ambassadors had authority to draw on the Barings. The reply of Mr. Alexander Baring must at once have opened Mr. Gallatin's eyes to the futility of the errand of the commissioners. His words clearly state the British grounds of objection: “The mediation of Russia was offered, not sought,—it was fairly and frankly accepted,—I do not see how America could with any consistency refuse it; but to the eyes of a European politician it was clear that such an interference could produce no practical benefit. The only question now seriously at issue between us is one purely of a domestic nature in each country respectively; no foreign government can fairly judge of it.” Pointing out the difficulty of establishing any distinction between the great masses of the seafaring population of Great Britain and America, he finds that no other country can judge of the various positions of great delicacy and importance which spring from such a state of things; and says: “This is not the way for Great Britain and America really to settle their disputes; intelligent persons of the two countries might devise mutual securities and concessions which perhaps neither country would offer in the presence of a third party. It is a sort of family quarrel where foreign interference can only do harm and irritate at any time, but more especially in the present state of Europe, when attempts would be made to make a tool of America.” These, he said he had good reason to know, were the sentiments of the British cabinet on the question of place of negotiation and foreign mediation. He also informed Mr. Gallatin that the mediation of Russia had been refused, and that the British government would express its desire to treat separately and directly either at London or Gottenburg. He warned Mr. Gallatin that an opinion prevailed in the British public that the United States were engaged to France by a secret political connection, which belief, though perhaps not shared by the government, would lead it to consider the persevering of the American commission upon bringing the insulated question before the powers of the Continent as a touchstone of their sincerity. He hoped that the American commissioners would come at once in contact with the British ministers, and pointed out the hesitation that every minister would feel at giving instructions on a matter so delicate as that “involving the rights and duties of sovereign and subject.” He then declared that there was in England a strong desire for peace and for ending a contest in which the “two countries could only tease and weaken each other without any practical result,” and at a time when England desired to carry her resources into the “more important field of European contest.” He then gave Castlereagh's assurance, that the cartel-ship, the Neptune, should be respected, and expressed his own personal hope that he should ere long be gratified by seeing it bring, with the commissioners, the hope of peace to the shores of England.

Meanwhile Mr. Gallatin was engaged in explaining the American case to Romanzoff by

conversation and by a written statement of the facts in the form of an unofficial note to the emperor. On August 10 word was received from the Emperor Alexander authorizing the renewal of the offer of mediation; and shortly after a letter from General Moreau, written to Mr. Gallatin from the imperial headquarters at Hrushova, assured him of his sympathy and assistance. His relations with Gallatin were of long standing and of an intimate nature. Moreau, after a long residence in America, to which he was warmly attached, had lately crossed the ocean and tendered his able sword to the coalition against Bonaparte. He informed Gallatin that one of the British ministers had said to him in Germany that England would not treat of her maritime rights under any mediation. He feared that American vanity would hardly consent to treat directly with Great Britain, and foresaw that the political adversaries of Madison and Gallatin would blame the precipitation of the United States government in sending over the envoys before the adhesion of England to the proposed arbitration was secured. He assured Gallatin of the interest of the Emperor Alexander in the Americans.

On August 24 Count Romanzoff read to the envoys his dispatch to Count Lieven, the Russian minister at London, renewing the offer of mediation. The commissioners considering their authority as limited to treating under the mediation of Russia, Mr. Gallatin wrote to Monroe, inclosing a copy of Baring's letter, which he looked upon as an informal communication of the views of the British government, and asked for contingent powers and instructions. These they could not expect to receive before February. Gallatin replied to Mr. Baring that no information of the refusal of Great Britain to the mediation had been received, but, even if it had, the commission was not authorized to negotiate in any other manner. They were, however, competent to treat of commerce without mediation. He declined to discuss the objection of Great Britain to the mediation of Russia, confining himself to an expression of ignorance in America of any such feeling on the part of the British ministry, and of the confidence placed in the personal character of the emperor, which was considered a sufficient pledge of impartiality; while the selection of a sovereign at war with France was clear evidence that America neither had nor wished to have any political connection with that power. That he himself believed an arrangement to be practicable, he said to Mr. Baring, was evident from the fact that he had given up his political existence, and separated himself from his family. His opinion was, that while neither nation would be induced to abandon its rights or pretensions in the matter of impressment, an arrangement might be made by way of experiment which would reserve to both their respective abstract rights, real or assumed.

To Moreau he wrote stating his hope that, notwithstanding the first objections of Great Britain, the mediation of the emperor would be accepted, and he asked the general for his personal interposition to this end. France and England he held to be equally at fault in the great European contest; the one usurping and oppressing the land, the other dominating and tyrannizing the sea. They alone, said he, have gained, if not happiness, at least power. Russia, he was firmly persuaded, was the only power at heart friendly to America. History has shown the sagacity of this judgment. This letter was never answered. Moreau was at death's door.

Early in October Mr. Dallas was sent to London to open relations with the British ministry. His presence there would save two months at least in each correspondence which involved communication between Washington, London, and St. Petersburg. Count Romanzoff gave the necessary letter of introduction to Count Lieven. Gallatin's instructions to the young secretary were explicit as to the caution he should exercise in a country where he could consider himself as only on sufferance. Hardly were these preliminaries concluded, and Dallas had not started on his journey, when Mr. Gallatin received word from America that the Senate had refused to confirm him in his position as commissioner. Mr. Gallatin had not resigned his position of secretary of the treasury. The Senate refused to sanction the cumulative appointment.

Stripped of his official character, he now felt himself at liberty to follow his own inclination. His first impulse was to go to London, where he was sure that Baring's friendship would open to him a means of usefulness in the matter on which he was engaged. The death of Moreau cut off the medium of approach to the emperor. This event was of no consequence, however, in the negotiation, as the emperor had been positively informed in July that England would not countenance even the appearance of foreign intervention in her dispute with America. But as yet no official information of his rejection had been received by Mr. Gallatin, nor did any reach him until March. Without it he could not well leave St. Petersburg. Meanwhile a diplomatic imbroglio, caused by the failure of the emperor to inform Romanzoff of Castlereagh's second refusal to accept the offer of mediation, embarrassed the commission all winter. Nor yet were they aware that the British minister, driven to the wall by the second offer of the emperor, had made proposals to Monroe to treat directly with the United States government. The British note with this offer was written on November 4. Mr. Gallatin was apprised of it by Mr. Dallas in January, 1814. Mr. Baring urged him, if he should return to America during the winter, to take his way through England, as good effects might result from even a passing visit. Gallatin was then, as he expressed it, “chained for the winter to St. Petersburg,” nor had he any way of reaching home, except by a cartel from a British port.

No word coming from the emperor, the envoys concluded to withdraw from St. Petersburg. Before leaving, Mr. Gallatin addressed a letter of thanks to Count Romanzoff, and requested him to communicate any information he might receive from the emperor. It was supposed that the offer of England to treat directly with America might be inclosed in Castlereagh's letter of refusal to accept Russian mediation. On January 25, 1814, Mr. Gallatin and Mr. Bayard left St. Petersburg and traveled by land to Amsterdam, which they reached after a tedious journey on March 4. The captain of the Neptune was ordered to bring his vessel to a port of Holland. At Amsterdam, where the envoys remained four weeks, they learned that Mr. Madison had at once accepted

Castlereagh's offer and appointed a new commission, consisting of Messrs. Adams, Bayard, Henry Clay, and Jonathan Russell. Mr. Gallatin was not included, as he was supposed to be on his way home to resume his post in the Treasury Department, the duties of which had been performed in his absence by Mr. Jones, the secretary of the navy. When correct information did reach Mr. Madison, on February 8, he immediately added Mr. Gallatin to the commission, and appointed Mr. G. W. Campbell to be secretary of the treasury. Thus it happened that Mr. Gallatin, whom Mr. Madison intended for the head of the commission, was the last named of those who conducted the negotiations.

J. A. Bayard

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On April 1, 1814, Mr. Gallatin concluded to pass through England on his return, and leaving orders for the Neptune on its arrival to proceed to Falmouth, he took the packet to Harwich, whither he requested Mr. Baring to send him the requisite passports to enable him to reach London with his suite without delay.

In company with Mr. Bayard, Mr. Gallatin reached the English capital on April 9, 1814. There they heard some days later of the arrival of Messrs. Clay and Russell at Gottenburg. The situation of Great Britain had greatly changed. Intoxicated with the success of their arms and the abdication of Napoleon, the English people were quite ready to undertake the punishment of the United States, while the release of a large body of trained troops in France, Italy, Holland, and Portugal enabled the ministry immediately to throw a large force into Canada for the summer campaign. In the British cabinet a belief was said to be entertained that a continuance of the war would bring about a separation of the American Union, and perhaps a return of New England to the mother country. In this emergency Gallatin availed himself of the opportunity which presented itself of addressing Lafayette in sending to that officer the patents for the Louisiana land granted to him by the American government, and urged the use of his influence to promote an accommodation between England and the United States.

To Clay he wrote on April 22, proposing that the place of negotiation be changed from “that corner” Gottenburg, either to London, or some neutral place more accessible to the friendly interference of those among the European powers upon which they must greatly rely. The Emperor Alexander was expected in London, and Castlereagh, who had recently returned from France where he had been in direct intercourse with him, was understood to be of all the cabinet the best disposed to the United States. From Clay Gallatin heard in reply that the British *chargé d'affaires* at Stockholm had already asked the sanction of the Swedish government to the negotiation at Gottenburg. While Clay was unwilling to go to London he gave his consent to carry on the negotiations in Holland, if the arrangement could be made in such a manner as to avoid any ill feeling at the Swedish court by the change from Gottenburg. In May Gallatin and Bayard asked of Monroe, who was then secretary of state, authority for the commissioners to remove the negotiation to any place which their judgment should prefer. In May, also, the British government was officially notified by the American commissioners of their appointment. Lord Bathurst answered with an assurance that commissioners would be forthwith appointed for Great Britain, and with a proposal of Ghent as the place for negotiation. This was at once acceded to.

Meanwhile Mr. Crawford, the United States minister at Paris, was endeavoring, at the instance of Mr. Gallatin, to secure the friendly interposition of the Emperor Alexander, not as a mediator, but as a common friend and in the interest of peace to the civilized world. Crawford was unable to obtain an audience of the emperor, or even an interview with Count Nesselrode, but Lafayette took up the cause with his hearty zeal for everything that concerned the United States, and, in a long interview with the emperor at the house of Madame de Staël, submitted to him the view taken by the United States of the controversy, and obtained from him his promise to exert his personal influence with the British government on his arrival at London. Baron von Humboldt, the Prussian minister at Paris, who had been influenced by British misrepresentation, was also won over by Lafayette, and now tendered his services to Mr. Gallatin in any way in which he might be

made useful. Lafayette's letter was brought by Humboldt in person. Gallatin and Humboldt had met in 1804, when the great traveler passed through Washington on his return from Peru and Mexico.

The Treaty of Paris having been signed, Lord Castlereagh reached London early in June, and the emperor arrived a few days later. Mr. Gallatin had an audience of the emperor on June 17, and on the 19th submitted an official statement of the American case and an appeal for the interposition of his imperial majesty, "the liberator and pacifier of Europe." From the interview Mr. Gallatin learned that the emperor had made three attempts in the interest of peace, but that he had no hope that his representations had been of any service. England would not admit a third party to interfere, and he thought that, with respect to the conditions of peace, the difficulty would be with England and not with America.

On June 13 Gallatin warned Monroe of the preparations England was making which would enable her to land fifteen to twenty thousand men on the Atlantic coast; that the capture of Washington and New York would most gratify the British people, and that no help need be expected from the countries of Europe, all which were profoundly desirous of peace.

The ministry informing Mr. Gallatin that the British commissioners would start for Ghent on July 1, he improved the interval by a visit to Paris. He left London, where he had passed nearly three months in the uncertain preliminaries of negotiation, and after a few days in the French capital reached Ghent on July 6. The British commissioners only appeared on August 6. They were Lord Gambier, Henry Goulburn, and William Adams, all second-rate men, but for this reason suited to the part they had to play. After the overturn of Napoleon the British cabinet had no desire for peace, or at least not until they had secured by war some material advantages in the United States, which a treaty would confirm. The business of their representatives at Ghent was to make exorbitant demands of the Americans and delay negotiations pending the military operations in progress.

In June Gallatin was satisfied of the general hostile spirit of Great Britain and of its wish to inflict serious injury on the United States. He notified Monroe of his opinion and warned him that the most favorable terms to be expected were the *status ante bellum*, and not certainly that, unless the American people were united and the country able to stand the shock of the campaign. Mr. Madison's administration had already humbled itself to an abandonment, or at least to an adjournment, of the principle to establish which they had resorted to arms. But in the first stages of the negotiation it was clear that the British cabinet had more serious and dangerous objects in view, and looked beyond aggression and temporary injury to permanent objects. At the first meeting on August 8, the British commissioners demanded, as a preliminary to any negotiation, that the United States should set apart to the Indian tribes the entire territory of the Northwest to be held by them forever in sovereignty under the guaranty of Great Britain. The absurdity of such a demand is sufficient evidence that it was never seriously entertained. There could have been no idea that the military power of Great Britain was able to enforce, or that the United States would abjectly submit to, such a mutilation of its territory and such a limitation of its expansion. Behind this cover Mr. Gallatin instinctively detected the real design of the cabinet to be the conquest of New Orleans and the mouths of the Mississippi. If to the territory thus acquired that of Florida should be added by cession from Spain, which could hardly refuse any compensation asked of her by Great Britain in return for the liberation of the Peninsula, a second British dominion would be set up on the American continent. These views Gallatin communicated to Monroe in a private dispatch of August 20, 1814, by the hands of Mr. Dallas. To the *sine qua non* of the British commissioners no answer was made by the Americans. The negotiation was abruptly suspended, and only by informal conversation was Mr. Goulburn given to understand that reference had been had to America for instructions. Mr. Gallatin was of opinion that the negotiations were at an end, and in his despair of peace took consolation in the belief that the insolence of the demand would unite America from Maine to Georgia in defense of her rights, of her territory, and indeed of her independence. The American commissioners made no secret of their belief that their mission was closed. Two of the secretaries started from Ghent on a continental tour, and notice was given to the landlord of the house where the commissioners resided of their intention to quit it on October 1. On August 2, while matters were still at this deadlock, Lord Castlereagh passed through Ghent on his way to the Congress at Vienna. Goulburn was ordered to change his tone and Lord Liverpool was advised to moderate his demands; to use Castlereagh's words, to “a letting down of the question.” Lord Liverpool replied on September 2, that he had already given Goulburn to understand that the commission had taken a very erroneous view of British policy. In this communication he betrays the hope, which the cabinet had entertained, of the outcome of American dissensions, by his expression of the opinion that if the negotiation had broken off on the notes already presented by the British commission, or the answer that the Americans were disposed to make, the war would have become popular in America.

Lord Bathurst reopened the negotiations, but his modification was of tone rather than of matter. The surrender of the control of the Lakes to Great Britain, and of the Northwest Territory to the Indians, was still adhered to. The reply of the American commissioners was drawn chiefly by Mr. Gallatin. It absolutely rejected the proposals respecting the boundary and the military flag on the Lakes, and refused even to refer them to the American government, but offered to pursue the negotiation on the other points. To Monroe Mr. Gallatin explained his reason for assenting to discuss the Indian article, and therein his colleagues concurred with him, to be: that they had little hope of peace, but thought it desirable, if there were to be a breach, that it should be on other grounds than that of Indian pacification. The reply of the commission on this point, also drafted by Mr. Gallatin, was sent in on September 26. It merely guaranteed the Indians in all their old rights,

privileges, and possessions.

The destruction of the public buildings at Washington by the British troops, known in London on October 1, caused a great sensation in England. As Gallatin said in a letter to Madame de Staël, it was “an act of vandalism to which no parallel could be found in the twenty years of European war from the frontiers of Russia to Paris, and from those of Denmark to Naples.” “Was it (he asked), because, with the exception of a few cathedrals, England had no public buildings comparable to them, or was it to console the London mob for their disappointment that Paris was neither pillaged nor burned?” It can hardly be doubted that the flames which consumed the American capital lighted the way to peace. The atrocity of war was again brought vividly to the view of nations whose sole yearning was for peace. Far from discouraging the American commissioners, it fortified their resolution. They knew that it would unite the people of the States as one man. It in no way disturbed Gallatin's confidence either in the present or future of his adopted country. To those who asked his opinion of the securities of the United States, he said: "If I have not wholly misunderstood America, its resources and its political morality, I am not wrong in the belief that its public funds are more secure than those of all European powers.”

In spite of the protests of Mr. Goulburn, who felt the ground on which he stood daily less stable, and in his letters to his chief was unsparing in his denunciations, Lord Liverpool accepted the proposed settlement of the Indian question. Nothing remained but to incorporate in a treaty form the points agreed upon. Lord Bathurst, who seems throughout the negotiation to have forgotten the old adage, that “fine words butter no parsnips,” and with true British blindness never to have appreciated how thoroughly he was overmatched by Mr. Gallatin, submitted a preliminary notification that the British terms would be based on the principle of *uti possidetis*, which involved a rectification of the boundaries on the Canadian frontier. To this the Americans returned a peremptory refusal. They would not go one step farther except on the basis of the *status quo ante bellum*. Lord Liverpool considered this as conclusive. A vigorous prosecution of the war was resolved upon by the cabinet. Only for reasons of expediency was a show of negotiation still kept up.

But when the cabinet took a survey of the general field they felt little complacency in the prospect of a struggle which sooner or later must interest the maritime powers. France, compelled by the peace of Vienna to withdraw from what even Lafayette considered as her natural frontier, was restive, and there was a large party in Russia who would gladly see the emperor take up the American cause. Moreover the chancellor of the exchequer saw before him an inevitable addition of ten millions of pounds sterling to his budget, the only avowable reason for which was the rectification of the Canadian frontier. In their distress the cabinet proposed to Wellington to go to the United States with the olive-branch and the sword, to negotiate or conquer a peace. The desire of the cabinet to bring the war to an honorable conclusion was avowed. But Wellington, before accepting this proposal, gave Lord Liverpool a very frank opinion of the mistake made in exacting territorial concessions, since the British held no territory of the United States in other than temporary possession, and had no right to make any such demand. Lord Liverpool was not tenacious. He was never, he wrote Lord Bathurst, much inclined to give way to the Americans, but the cabinet felt itself compelled to withdraw from its extreme ground. He accepted his defeat and acknowledged it.

The Americans meanwhile arranged a draft of a treaty. The articles on impressment and other maritime rights, absolutely rejected by the British, were set aside. There only remained the question of the boundaries, the fisheries, and the navigation of the Mississippi. Here Mr. Gallatin had as much difficulty in maintaining harmony between Adams and Clay as in obtaining a peace from Liverpool and Bathurst. Adams was determined to save the fisheries; Clay would not hear of opening the Mississippi to British vessels. A compromise was effected by which it was agreed that no allusion should be made to either subject. Mr. Gallatin terminated the dispute by adding a declaration that the commissioners were willing to sign a treaty applying the principle of the *status quo ante bellum* to *all* the subjects of difference. This was in strict conformity with the instructions from the home government. On November 10 the American draft was sent in. On the 25th the British replied with a counter-draft which made no allusion to the fisheries, but stipulated for the free navigation of the Mississippi. The Americans replied that they would give up the navigation of the river for a surrender of the fisheries. This proposal was at once refused by the British. The matter was settled by an offer of the Americans to negotiate under a distinct reservation of all American rights. All stipulations on either subject were in the end omitted, the British government on December 22 withdrawing the article referring to these points. In the course of the negotiation Mr. Gallatin proposed that in case of a future war both nations should engage never to employ the savages as auxiliaries, but this article does not appear. To the credit of civilization, however, the last article contained a mutual engagement to put an end to the trade in slaves. An agreement entered into in perfect faith, but which the jealousy of the exercise of search in any form rendered nugatory for half a century. On Christmas day the treaty was signed. Mr. Henry Adams[19] justly says, “Far more than contemporaries ever supposed, or than is now imagined, the Treaty of Ghent was the special work and the peculiar triumph of Mr. Gallatin.” His own correspondence shows how admirably he was constituted for the nice work of diplomatic negotiation. In the self-poise which he maintained in the most critical situations, the unerring sagacity with which he penetrated the purposes of his adversaries, the address with which he soothed the passions and guided the judgments of his colleagues, it is impossible to find a single fault. If he had a fault, says his biographer, it was that of using the razor when he would have done better with the axe. But the axe is not a diplomatic weapon. The simulation of temper may serve an occasional purpose, but temper itself is a mistake; and to Mr. Gallatin's credit be it said, it was a mistake never committed by him in the course of this long and sometimes painful negotiation.

Looking back upon its shifting scenes, it is clear that even the pertinacity of Adams and the irascibility of Clay served to advance the purpose of the mission. From the first to the last Mr. Gallatin had his own way, not because it was his own way, but because it was the best way and was so recognized by the majority of the commission at every turn of difference. Fortunately for the interests of peace the battle of New Orleans had not yet been fought. There seems a justice in this final act of the war. The British attack upon the Chesapeake[20] was committed before war had been declared. The battle of New Orleans was fought a fortnight after the Treaty of Ghent was signed. The burning of Washington was avenged by the most complete defeat which the British had ever encountered in their long career of military prowess.

By his political life Mr. Gallatin acquired an American reputation; by his management of the finances of the United States he placed himself among the first political economists of the day; but his masterly conduct of the Treaty of Ghent showed him the equal of the best of European statesmen on their own peculiar ground of diplomacy. No one of American birth has ever rivaled him in this field. Europeans recognized his pre-eminent genius. Sismondi praised him in a public discourse. Humboldt addressed him as his illustrious friend. Madame de Staël expressed to him her admiration for his mind and character. Alexander Baring gave him more than admiration, his friendship.

Upon the separation of the commissioners, Mr. Gallatin paid a flying visit to Geneva. His fame, or “glory,” to use the words of Humboldt, preceded him. Of his old intimates, Serre was under the sod in a West Indian island; Badollet was leading a quiet life at Vincennes in the Indiana Territory, where Gallatin had obtained for him an appointment in the land office; Dumont was in England. Of Gallatin's family few remained. But he received the honors due to him as a Genevan who had shed a lustre on his native city. On his way to England, where he had made an appointment with his colleagues to attempt a commercial treaty with Great Britain, he stopped at Paris. Here he saw Napoleon, returned from Elba, his star in full blaze before its final extinction. Here he heard in April (1815) of his appointment by Madison as minister to France. His colleagues also had been honored by similar advancements. Adams was transferred from Russia to England. Bayard was named minister to Russia, but illness prevented his taking possession of his post.

In April, Mr. Gallatin and Mr. Clay opened negotiations with Lord Castlereagh in London, where they were quickly joined by Adams. Lord Castlereagh bore no malice against Mr. Gallatin for the treaty. On the contrary, he wrote of it to Lord Liverpool as “a most auspicious and seasonable event,” and wished him joy at “being released from the millstone of an American war.” With Lord Castlereagh Mr. Gallatin arranged in the course of the summer a convention regulating commercial intercourse between the United States and Great Britain, the only truly valuable part of which was that which abolished all discriminating duties. Mr. Gallatin considered this concession as an evidence of friendly disposition, and rightly judged that British antipathy and prejudice were modified, and that in the future friendly relations would be preserved and a rupture avoided. Beyond this, there was little gained. The old irritating questions of impressment and blockade and the exclusion of the United States from the West Indies trade remained.

In July Mr. Gallatin parted from Mr. Baring and his London friends on his homeward journey. From New York, on September 4, he wrote Madison, thanking him for the appointment of minister to France as an “evidence of undiminished attachment and of public satisfaction for his services;” but he still held his acceptance in abeyance. To Jefferson, two days later, he had also the satisfaction to say with justice, that the character of the United States stood as “high as ever it did on the European continents, and higher than ever it did in Great Britain;” and that the United States was considered “as the nation designed to check the naval despotism of England.” To Jefferson he naturally spoke of that France from which they had drawn some of their inspirations and their doctrines.

He thus describes the condition of the people:—

> “The revolution (the political change of 1789) has not, however, been altogether useless. There is a visible improvement in the agriculture of the country and the situation of the peasantry. The new generation belonging to that class, freed from the petty despotism of nobles and priests, and made more easy in their circumstances by the abolition of tithes, and the equalization of taxes, have acquired an independent spirit, and are far superior to their fathers in intellect and information; they are not republicans and are still too much dazzled by military glory; but I think that no monarch or ex-nobles can hereafter oppress them long with impunity.”

And again, “Exhausted, degraded, and oppressed as France now is, I do not despair of her ultimate success in establishing her independence and a free form of government.” But it was not till half a century later that Gambetta, the Mirabeau of the Republic, led France to the full possession of her material forces, and reëstablished in their original vigor the principles of 1789. That Gallatin was not blinded by democratic prejudices appears in the letter he wrote to Lafayette after Napoleon's abdication, in which he said: “My attachment to the form of government under which I was born and have ever lived never made me desirous that it should, by way of experiment, be applied to countries which might be better fitted for a limited monarchy.”

Strange as it appears, there is no doubt that Mr. Gallatin was at this time heartily weary of political life, and seriously contemplated a permanent retirement to the banks of the Monongahela. He naturally enough declined a nomination to Congress, which was tendered him by the Philadelphia district. His tastes were not for the violence and turbulence of the popular house.

Madison left him full time to decide whether he could arrange his private affairs so as to accept the mission to Paris. In November he positively declined. He considered the compensation as incompetent to the support of a minister in the style in which he was expected to live. His private income was at this time about twenty-five hundred dollars a year. Monroe pressed him earnestly not to quit the public service, but the year closed and Mr. Gallatin had not made up his mind. In the situation of France, which he considered “would under her present dynasty be for some years a vassal of her great rival,” he did not consider the mission important, and his private fortune was limited to a narrow competence. “I do not wish,” he wrote to Monroe, “to accumulate any property. I will not do my family the injury of impairing the little I have. My health is frail; they may soon lose me, and I will not leave them dependent on the bounty of others.” But being again earnestly pressed, he on January 2, 1816, accepted the appointment. To Jefferson he wrote that he would not conceal 'that he did not feel yet old enough nor had philosophy enough to go into retirement and abstract himself wholly from public affairs.'

In April, Madison notified Mr. Gallatin of Dallas's probable retirement from the Treasury, and offered him the post if he cared to return to it. He was perfectly aware of his supreme fitness for the direction of the Treasury, and he declined with reluctance, because he was disturbed by the suspension of specie payments. Remembering Madison's weakness in 1812 on the subject of the renewal of the bank charter, which Gallatin considered necessary in the situation of the finances, he could hardly have felt a desire to return to the cabinet in that or indeed in any other capacity. He was perfectly conscious that as leader of the House of Representatives, as secretary of the treasury, and as negotiator of the Ghent treaty, he had brought into the triumvirate all its practical statesmanship. His short career abroad had opened to him a new source of intellectual pleasure. He had earned a right to some hours of ease. Diplomacy at that period, when communication was uncertain and difficult, was perforce less restricted than in these latter days, when ambassadors are little more than foreign clerks of the State Department without even the freedom of a chief of bureau. Gallatin felt entirely at home, and was happy in this peculiar sphere. There was no time in his life when he would not have gladly surrendered all political power for the enjoyment of intellectual ease, the pursuit of science, and the atmosphere of society of the higher order of culture in whatever field. And Paris was then, as it is still, the centre of intellectual and social civilization.

Jefferson rejoiced in Gallatin's appointment to France, and rightly judged that he would be of great service there. Of Louis XVIII., however, Jefferson had a poor opinion. He thought him 'a fool and a bigot, but, bating a little duplicity, honest and meaning well.' Jefferson could give Gallatin no letters. He had 'no acquaintances left in France; some were guillotined, some fled, some died, some are exiled, and he knew of nobody left but Lafayette.' With Destutt de Tracy, an intimate friend of Lafayette, Jefferson was in correspondence. Indeed, he was engaged on the translation of Tracy's work on political economy, the best, in Jefferson's opinion, that had ever appeared.[21]

Gallatin reached Paris with his family on July 9, 1816, and had an interview with the Duc de Richelieu, the minister of Louis XVIII., two days later. The conversation turned upon the sympathy for Bonaparte in the United States, which Richelieu could not understand; but Gallatin explained that it was not extended to him as the despot of France, but as the most formidable enemy of England. Richelieu warned him of the prejudices which might be aroused against the reigning family 'by ex-kings and other emigrants of the same description' who had lately removed to the United States. This was an allusion to Jerome, who had fled from the throne of Westphalia to the banks of the Delaware. The king gave Gallatin an audience on the 11th, when he presented his credentials. His reception both by his majesty and the princes was, he wrote to Monroe, “what is called gracious.” Louis the Eighteenth was a Bourbon to the ends of his fingers. He had the *bonhommie* dashed with malice which characterized the race. None could better appreciate than he the vein of good-natured satire, the acquired tone of French society, which was to Mr. Gallatin a natural gift. Mr. Gallatin was not only kindly but familiarly received at court; and at the *petits soupers*, which were the delight of the epicurean king, his majesty on more than one occasion shelled the crawfish for the youthful daughter of the republican ambassador. An anecdote is preserved of the king's courteous malice. To a compliment paid Mr. Gallatin on his French, the king added, “but I think my English is better than yours.”

Gallatin's first negotiations were to obtain indemnity for the captures under the Berlin and Milan decrees; but although the Duc de Richelieu never for a moment hinted that the government of the Restoration was not responsible for the acts of Napoleon, yet he stated that the mass of injuries for which compensation was demanded by other governments was so great that indemnity must be limited to the most flagrant cases. They would pay for vessels burnt at sea, but would go no farther. In spite of Mr. Gallatin's persistency no advance was made in the negotiation. A minor matter gave him some annoyance. On July 4, 1816, at a public dinner, the postmaster at Baltimore proposed a toast which, by its disrespect, gave umbrage to the king. Hyde de Neuville, the French minister to the United States, demanded the dismissal of the offender. If our institutions and habits as well as public opinion had not forbidden compliance with this request, the dictatorial

tone of De Neuville was sufficient bar. Richelieu could not be made to understand the reason for the refusal, and while disclaiming any idea of using force, said that the government would show its dissatisfaction in its own way. This seemed to intimate an indefinite postponement of a consideration of American demands, and would have rendered Mr. Gallatin's further residence useless as well as unpleasant; but French dignity got the better of what Gallatin termed, “the sickly sentimentality which existed on the subject of personal abuse of the king,” and the insignificant incident was not allowed to interfere with friendly intercourse.

In 1817 Mr. Gallatin was engaged not only in advising Mr. Adams at London upon the points of a commercial treaty with Great Britain, but also, together with Mr. William Eustis, minister to the Netherlands, in a negotiation with that government.

The commission met at the Hague, Mr. Goldberg and Mr. Van der Kemp representing Holland. The subjects were the treaty of 1782 between the States-general of the Netherlands and the United States, the repeal of discriminating duties, and the participation of the United States in the trade with the Dutch East Indies. The basis of a treaty could not be agreed upon, and the whole matter was referred back to the two governments, the American commissioners recommending to the President a repeal of duties discriminating against vessels of the Netherlands, which would no doubt prevent future exaction of extra tonnage duties imposed on American vessels by that government. These negotiations occupied the late summer months. At the end of September Mr. Gallatin was again at his post in Paris.

In June, 1818, Mr. Richard Rush, who owed his introduction into public life to Mr. Gallatin, was appointed minister to England, Adams returning to the United States to take the portfolio of State in President Monroe's cabinet. Gallatin was joined to Rush, for the conduct of negotiations with Great Britain, rendered necessary by the approaching expiration of the commercial convention of July 3, 1815, which had been limited to four years. The general field of disputed points was again entered. It included the questions of impressment, the fisheries, the boundaries, and indemnity for slaves. The commissioners were supported by a temper of the American people different from that which prevailed when Jay and Gallatin respectively undertook the delicate work of negotiation in 1794 and 1814. A compromise was arrived at, which was signed on October 20, 1818. The articles on maritime rights and impressment were set aside. A convention was made for ten years in regard to the fisheries, the northwest boundary, and other points, and the commercial convention of 1815 was renewed. The English claim to the navigation of the Mississippi was finally disposed of, and the article concerning the West India trade was referred to the President. The arrangement of the fishery question disturbed Mr. Gallatin, who found himself compelled to sign an agreement which left the United States in a worse situation in that respect than before the war of 1812. But as the British courts would certainly uphold the construction by their government of the treaty of 1783, our vessels, when seized, would be condemned and a collision would immediately ensue. This, and the critical condition of our Spanish relations, left no choice between concession and war. A short time afterward Lord Castlereagh and the Duke of Wellington expressed friendly dispositions, and the mooted points of impressment and the West India trade were considered by them to be near an arrangement. The right of British armed vessels to examine American crews was abandoned in the convention itself.

In July, 1818, the capture of Fort St. Mark and the occupation of Pensacola in Florida by General Jackson made some stir in the quiet waters of our foreign diplomacy. Uncertain as to whether the act would be disavowed or justified by the American government, Mr. Gallatin explained to the European ministers that the forcible occupation of the Spanish province was an act of self-defence and protection against the Indians, but Richelieu replied that the United States “had adopted the game laws and pursued in foreign ground what was started in its own.” Yet, to the astonishment of Mr. Gallatin, Richelieu was moderate and friendly in language, and urged a speedy amicable arrangement of differences with Spain, in whose affairs France took an interest, and who had asked her good offices. But Gallatin at once rejected any idea that the United States would join France in any mediation between Spain and her revolted colonies. It seems rather singular that, to the suggestion that a Spanish prince might be sent over to America as an independent monarch, Gallatin contented himself with expressing a doubt as to the efficacy of such a course to preserve their independence. Mr. Adams was informed that public recognition of the independence of the insurgent colony of Buenos Ayres would shock the feelings and prejudices of the French ministers, but that notwithstanding this displeasure, France would not join Spain in a war on this account. England, however, would see such a war without regret, and privateers under Spanish commissions would instantly be fitted out, both in France and England. Under the existing convention with Great Britain three hundred American vessels arrived at Liverpool in the first nine months of 1818 from the United States and only thirty English, an advantage to the United States which war would at once destroy. Russia also was displeased with the recognition of the independence of the Spanish colonies. At the Congress of Aix la Chapelle various plans of mediation were proposed, but England refusing to engage to break off all commercial relations with such of the insurgent colonies as should reject the proposals agreed to, the whole project was abandoned. An agreement between the five great powers for the suppression of the slave trade was also proposed at this Congress, but France declined to recognize the right to visit French vessels in time of peace, and Russia making a similar declaration, this plan also fell to the ground, and even an association against the exactions of the Barbary powers was prevented by jealousy of the naval preponderance of Great Britain.

While Mr. Gallatin was still actively engaged in an endeavor to put our commercial relations with France on a satisfactory basis, and negotiating with M. Pasquier, the new French minister for foreign affairs, both with regard to indemnities for captures and the new Spanish relations

involved in the cession of Florida to the United States, a serious trouble arose in which Mr. Gallatin and Mr. Adams were at direct difference. In the spring of 1821 a French vessel, the Apollon, was seized on the St. Mary's River, on the Spanish side, and condemned for violation of the United States navigation laws. Mr. Adams sustained the seizure and Mr. Gallatin did his best to defend it, on the ground that the place where the vessel was seized was embraced in the occupation of the United States. To Adams he wrote that the doctrine assumed by the State Department with respect to the non-ratified treaty with Spain was not generally admitted in Europe, and that “he thought it equally dangerous and inconsistent with our general principles to assert that we had a right to seize a vessel for any cause short of piracy in a place where we did not previously claim jurisdiction.” Mr. Gallatin succeeded in satisfying M. Pasquier that the seizure was not in violation of the law of nations or an insult to the French flag, and the captain having instituted a suit for redress against the seizing officers, the French minister allowed the matter to rest. Adams, however, was indignant at having his arguments set aside. He complained of it to Calhoun, and asked what Mr. Gallatin meant. Calhoun answered that perhaps it was “the pride of opinion.” But when Adams got to his diary, which was the safety-valve of his ill-temper, he set a black mark against Mr. Gallatin's name in these words: "Gallatin is a man of first-rate talents, conscious and vain of them, and mortified in his ambition, checked as it has been, after attaining the last step to the summit; timid in great perils, tortuous in his paths; born in Europe, disguising and yet betraying a superstitious prejudice of European superiority of intellect, and holding principles pliable to circumstances, occasionally mistaking the left for the right handed wisdom." Against this judgment, Gallatin's estimate of Adams may be here set down. It was expressed to his intimate friend Badollet in 1824: “John Q. Adams is a virtuous man, whose temper, which is not the best, might be overlooked; he has very great and miscellaneous knowledge, and he is with his pen a powerful debater; but he wants, to a deplorable degree, that most essential quality, a sound and correct judgment. Of this I have had in my official connection and intercourse with him complete and repeated proofs; and although he may be useful when controlled and checked by others, he ought never to be trusted with a place where, unrestrained, his errors might be fatal to the country.” Crawford complained of the difficulty he encountered in the cabinet of softening the asperities which invariably predominated in the official notes of the State Department while under Adams's direction, and said that, had they been allowed to remain as originally drafted, the government would have been “unembarrassed by diplomatic relations with more than one power.” But it must be remembered that there was no love lost between Adams and Crawford—political rivals and not personal friends.

The commercial negotiations, and the discussion of French pretensions under the eighth article of the Louisiana treaty, opened with M. Pasquier, were continued with the Vicomte de Montmorenci, who succeeded him as minister of foreign affairs. In September, 1821, Mr. Gallatin had communicated to Mr. Adams his intention of returning home in the spring; but there appearing a chance of success in the negotiation of a treaty, he wrote in February, 1822, to President Monroe that if no successor had been appointed, he was desirous to remain some time longer. He was loath to return without having succeeded in any one subject intrusted to his care. Meanwhile Mr. Adams and M. de Neuville, the French minister, had been busy in the United States. A commercial convention was signed at Washington on June 24, 1822. Concerning this agreement Mr. Gallatin wrote to Adams that the terms were much more favorable to France than he had been led to presume would be acceded to, and more so than had been hoped for by the French government. He nevertheless expressed the wish that, as it had been signed, it should be ratified, in anticipation that the superior activity of our ship-owners and seamen would enable America to stand the competition.

In January, 1823, Montmorenci resigned and was succeeded by M. de Chateaubriand. The change of ministers made no change in the French persistence in connecting the discussion of the American claims with that of the eighth article of the Louisiana treaty, an arrangement to which Mr. Gallatin would not consent. As a last resort he so informed M. de Chateaubriand, but receiving an unsatisfactory answer he concluded that there was at that time no disposition in France to do us justice; and as his protracted stay could be of no service to the United States, he determined to return home in the course of the spring. In April he received leave of absence from the President. On May 13 he had a final conference with Chateaubriand, in which he could get no promise of any redress, but did obtain the explicit declaration that France would in no manner interfere in American questions.

Mr. Gallatin took passage at Havre, and arrived in New York on June 24, 1823. His political friends, especially Crawford, were eager for his return. Crawford wished him to stand for vice-president in the coming presidential campaign. After a short visit to Washington he went to his home at New Geneva. The real value of perfect public service, or indeed of any service, is only appreciated when it ceases, and friction takes the place of smooth and noiseless order. Hardly was Mr. Gallatin settled at Friendship Hill when a letter from President Monroe (October 15) arrived, urging him to return to Paris, if only for the winter, or until the crisis brought on by the rupture between France and Spain should be over. Mr. Gallatin replied, that the deranged state of his private affairs rendered his return to Europe extremely improbable.

Goethe says in his “Elective Affinities” that we cannot escape the atmosphere we breathe. The natural atmosphere of Mr. Gallatin was public life. In November, 1825, Mr. Clay, Adams's secretary of state, offered, and, meeting a refusal, pressed upon Mr. Gallatin the post of representative of the United States at the proposed Congress of American Republics at Panama. Mr. Clay was right in considering it the most important mission ever sent from the United States, and had Mr. Gallatin accepted it, relations with these interesting countries might have been improved to an immeasurable degree of happiness to them, and of benefit to both continents. But

his family would not hear of his exposure in the fatal climate of the American Isthmus. Moreover, he pleaded his ignorance of the Spanish language as a sufficient excuse for declining the mission, —an example which has not been followed in later days.

Minister to England

In the spring of 1826 Mr. Rufus King, who had taken the place of Mr. Rush at London, that gentleman having been called to the Treasury by President Adams, fell ill, and requested the assistance of an extraordinary envoy. Mr. Gallatin accepted the mission. Before his nomination reached the Senate Mr. King's resignation was received and accepted. President Adams wishing to intrust Mr. Gallatin alone with the pending negotiations, and unwilling to make the two nominations of minister and envoy, proposed to Mr. Gallatin to take the post of minister, with powers to negotiate, and liberty to return when the negotiations should be finished. Personal expenses at London were so great that the post of resident minister was ruinous. Mr. Adams promised Mr. Gallatin *carte blanche* as to his instructions. But instead of latitude and discretionary power he received at New York voluminous directions which he engaged faithfully to execute, while regretting that they had not been made known to him sooner. Nevertheless, in the three days which intervened before his sailing, he wrote to Mr. Clay a lucid statement of the points in issue, and mentioned the modifications he desired. The points were: 1. The northeastern boundary. Upon this he was only authorized to obtain a reference of the subject to a direct negotiation at Washington. He asked consent, in case it should be desirable, to open a negotiation on this point at London. Should Great Britain refuse to open a negotiation at either place, or to agree to a joint statement, then he was not to be bound to propose an immediate reference to a third power. 2. The boundary west of the Stony Mountains. The instructions limited British continuance on settlements south of the 49th parallel to five years. Mr. Gallatin thought this insufficient, and proposed fifteen years. 3. The St. Lawrence navigation, and the intercourse with Canada, as to which he suggested alternate plans. 4. Colonial trade, on which he asked precise instructions as to what was desired. To the President he complained of his instructions as 'of the most peremptory nature, leaving no discretion on unimportant points, and making of him a mere machine,' and he requested that it be officially announced to him 'that the instructions were intended to guide but not absolutely to bind him.' He was not afraid of incurring responsibility where discretion was allowed, but he would not do it in the face of strict and positive injunctions. Mr. Gallatin sailed from New York with his wife and daughter July 1, 1826. Mr. William Beach Lawrence, then a youth, accompanied him as his secretary. They reached London on August 7.

Canning was then at the head of the foreign office, and the temper of the ministry was not that of Castlereagh and Wellington. Mr. Gallatin did not like French diplomacy, nor did he admire that of England. He wrote to his son: 'Some of the French statesmen occasionally say what is not true; here (in London) they conceal the truth.' But while in diplomacy he found strength and the opinion of that strength to be the only weapons, he felt satisfaction that the country could support its rights and pretensions by assuming a different attitude. In the course of the negotiations Mr. Gallatin learned that one of the king's ministers had complained of the tone of United States diplomacy towards England, and had added, that it was time to show that it was felt and resented. No such fault could attach to the correspondence of Mr. Rush and Mr. King, or to that of Mr. Clay, which Mr. Addington had found quite acceptable; but it was ascribed to Mr. Adams's instructions to Mr. Rush, printed by order of the Senate. Mr. Gallatin later discovered that the offensive remarks were in Baylies's report on the territory west of the Stony Mountains. Mr. Gallatin explained the independence of the House committees in the United States, but as a diplomatist he felt the need of a concert between the executive and the committees of Congress in all that concerns foreign relations. Government, after all, is a complex science.

The simple directness with which Mr. Gallatin dealt with Lord Liverpool could not serve with a man of Canning's disposition. Mr. Gallatin did not fail to bring to bear the pressure of a possible change in the relations of the United States and Great Britain, which might arise from the war which seemed imminent between that power and Spain. The new questions of Cuba, and the old habit of impressment, might at once bring the United States into collision with England. But the war did not take place, and the close of the year found the negotiations not far advanced. Only the convention of 1815 would no doubt be renewed. He asked for further instructions on that subject, the joint occupancy of western territory, and impressments, all of which he hoped to arrange in the spring and summer, and return home. Mr. Lawrence he found to be a secretary more capable in the current business of the legation than any of his predecessors. Mr. Gallatin could safely leave him there as *chargé d'affaires*.

In December, Chateaubriand used in the House of Peers the words which Mr. Gallatin had said to him, 'that England could not take Cuba without making war on the United States, and that she knew it.' Mr. Gallatin so informed Adams, and added, that France would no doubt agree, as Chateaubriand would have agreed, to a tripartite instrument if England were of the same opinion.

In March, 1827, Adams warned Gallatin that the sudden and unexpected determination of Great Britain to break off all negotiation concerning the colonial trade, and the contemporaneous interdiction of the vessels of the United States from all British ports in the West Indies, had put a new face on matters. A renewal of the convention of 1818 would probably be agreed to by the Senate, but no concession in the form of a treaty would be acceptable. His words were emphatic. “One inch of ground yielded on the northwest coast,—one step backward from the claim to the navigation of the St. Lawrence,—one hair's breadth of compromise upon the article of impressment would be certain to meet the reprobation of the Senate.” In this temper of parties,

Adams added, "All we can hope to accomplish will be to adjourn controversies which we cannot adjust, and say to Britain as the Abbé Bernis said to Cardinal Fleuri: 'Monseigneur, j'attendrai.'"

But changes now occurred in the British ministry: Lord Liverpool died in February, 1827—Mr. Canning in the following August. Lord Goderich became prime minister. The new administration returned from Canning's eccentric course to the old and quiet path. The commercial convention of 1815 was renewed indefinitely, each party being at liberty to abrogate it at twelve months' notice. The joint occupancy of the Oregon Territory, agreed to in 1818, was continued in a similar manner. On September 29 a convention was signed, referring the northeast boundary to the arbitration of a friendly sovereign. Mr. Gallatin believed that, had Canning lived, he would have opened a negotiation on the subject of impressment. Huskisson considered that 'the right, even if well founded, was one the exercise of which was intolerable, but that this was not the time to take up the subject.' The new British administration did not dare to encounter the clamor of the navy, the opposition of the Tories, and the pride of the nation on this question.

Having accomplished all that was practicable, completed all the current business, and leaving the British government in a better temper than he found it, Mr. Gallatin returned to the United States, reaching New York on November 29, 1827. Nothing remained in foreign relations in respect to which Mr. Gallatin felt that he could be of much use except the northeast boundary. In a letter of congratulation to Mr. Gallatin on his arrival, President Adams made ample amends for all his harsh judgments, expressed or withheld. The three conventions were entirely satisfactory to him. Of the negotiation he said, in words as graceful as warm, "I shall feel most sensibly the loss of your presence at London, and can form no more earnest wish than that your successor may acquire the same influence of reason and good temper which you did exercise, and that it may be applied with as salutary effect to the future discussions between the two governments." During his visit to London Mr. Gallatin was overwhelmed with civilities. Canning was courteous to a degree, and rarely a day passed that the American ambassador had not to choose between half a dozen invitations to dinner. At the house of the Russian minister, the Count de Lieven, he was always welcome, and the Countess de Lieven, the autocrat of foreign society in London, without whose pass no stranger could cross the sacred threshold of Almack's, was his fast friend. To each circle he carried that which each most prized. Whether the conversation turned upon government or science, the dry figures of finance, or the more genial topic of diplomatic intrigue, Mr. Gallatin was its easy master, and his words never fell on inattentive ears.

With this mission to London Mr. Gallatin's diplomatic service closed. He would have accepted the French mission in 1834, and so informed Van Buren, but General Jackson, who was President, had his own plans, and 'ran his machine' without consulting other than his own prejudices or whims. But although Mr. Gallatin was no longer in the field of diplomacy, his counsels were eagerly sought. The northeastern boundary was a troublesome question, indeed in the new phases of American politics an imminent danger. The extension of the commercial relations of Great Britain and the United States rendered it imperative that no point of dispute should remain which could be determined. For two years after his return from England, Mr. Gallatin was employed in the preparation of an argument to be laid before the king of the Netherlands, who had been selected as the arbiter between the United States and Great Britain on the boundary. The king undertook to press a conventional line, which the United States, not being bound to accept, refused. In 1839 Mr. Gallatin prepared, and put before the world, a statement of the facts in the case. This, revised, together with the speech of Mr. Webster, a copy of the Jay treaty, and eight maps, he published at his own expense in 1840.

At this time conflicts on the Maine frontier brought the subject up in a manner not to be ignored. Popular feeling was at high pitch. In this condition of affairs Alexander Baring, who had been raised to the peerage as Lord Ashburton, was sent to America on a mission of friendship and peace. As a young man he had listened to the debate on Jay's treaty in 1795. He was now to be received by Webster in Washington in the same spirit in which Grenville received Jay in London, when it was mutually understood that they should discuss the matter as friends and not as diplomatists, and leave their articles as records of agreement, not as compromises of discord. Gallatin eagerly awaited the arrival of his old friend, and was grievously disappointed when contrary winds blew the frigate which carried him to Annapolis. Letters were immediately exchanged; Lord Ashburton engaging before he left the country to find Gallatin out, and, as he said, to "*draw a little wisdom from the best well*." After the treaty was signed, Lord Ashburton went from Washington to New York, and the old friends met once more: Mr. Gallatin was in his 82d year, but in the full possession of his faculties; Lord Ashburton in his 68th year: a memorable meeting of two great men, whose lives had much in common; the one the foremost banker of England, the other the matchless financier of America; and to this sufficient honor was added for each the singular merit of having negotiated for his country the most important treaty in its relation to the other since the separation of 1783,—Mr. Gallatin, the Treaty of Ghent, which gave peace to America; Lord Ashburton, that treaty which is known by his name and which secured peace to Great Britain.

In 1846 Mr. Gallatin rendered his last diplomatic service by the publication of a pamphlet on the Oregon question, which was then as threatening as that of the northeastern boundary had been. This admirable exposition, which put before the people as well as the negotiators the precise merits of the controversy, powerfully contributed to the ultimate peaceful settlement.

Still once more Mr. Gallatin threw his authoritative words into the scale of justice. His last appearance in public had been when he presided on April 24, 1844, at a meeting in New York city to protest against the annexation of Texas. He then held that the resolution of the House declaring the treaty of annexation between the United States of America and the Republic of Texas to be the

fundamental law of union between them, without and against the consent of the Senate, was a direct and undisguised usurpation of power and a violation of the Constitution. In the storm of opposition he lifted his feeble voice in condemnation of the violation of treaties, and the disregard of the sacred obligations of mankind. “I am highly gratified,” were his final words, "I am highly gratified that the last public act of a long life should have been that of bearing testimony against this outrageous attempt. It is indeed a consolation that my almost extinguished voice has been on this occasion raised in defense of liberty, of justice, and of our country." Of the war with Mexico, he was wont to say, “that it was the only blot upon the escutcheon of the United States.” Aged as he was, he would not rest until he had made his last appeal for peace with Mexico. He also prepared supplementary essays on war expenses: the first of these was published in 1847, the second in 1848. For months all his faculties, all his feelings were absorbed in this one subject. These pamphlets were widely circulated by the friends of peace. The venerable sage had the comfort of knowing that his words were not in vain. Peace with Mexico was signed on February 2, 1848.

Mr. Gallatin was no believer in the doctrine of 'manifest destiny,'—the policy of bringing all North America into the occupation of a race speaking the same language, and under a single government. On February 16, 1848, before news of the signature of the treaty at Guadalupe Hidalgo, by Mr. Trist, the American negotiator, was known in New York, Mr. Gallatin condemned this idea in a remarkable passage, in a letter to Garrett Davis:—

> “What shall be said of the notion of an empire extending from the Atlantic to the Pacific and from the North Pole to the Equator? Of the destiny of the Anglo-Saxon race, of its universal monarchy over the whole of North America? Now, I will ask, which is the portion of the globe that has attained the highest degree of civilization and even of power—Asia, with its vast empires of Turkey, India, and China, or Europe divided into near twenty independent sovereignties? Other powerful causes have undoubtedly largely contributed to that result; but this, the great division into ten or twelve distinct languages, must not be neglected. But all these allegations of superiority of race and destiny neither require nor deserve any answer. They are but pretences under which to disguise ambition, cupidity, or silly vanity.”

The justice of these reflections was assuredly borne out by the experience of history, but manifest destiny takes no account of past lessons.

Before these lines of Mr. Gallatin were penned, on January 19, 1848, gold was discovered in California. The announcement startled the world and opened a new era, not only to Europe, but to mankind. Extending the metallic basis, which no man better than Mr. Gallatin recognized and held to be the true solvent of money transactions, it postponed for a half century the inevitable conflict between capital and labor, the first outbreaks of which in Europe had been with difficulty suppressed, when the news of good tidings gave promise of unexpected relief. Credit revived, new enterprises of colossal magnitude were undertaken, and the demand for labor quickly exceeded the supply. Emigration to America rose to incredible proportions. Had Mr. Gallatin lived, he would have found new elements to be weighed in his nice balance of probabilities. He would no longer, as in 1839, have been compelled to say that “specie is a foreign product,” but would have given to us inestimable advice as to the proper use to be made of the vast sums taken out from our own soil. He would have been also brought to face the ethnologic problem of a continent inhabited by a single race, not Anglo-Saxon, nor Teutonic, nor yet Latin, but a composite race in which all these will be merged and blended; a new American race which, springing from a broader surface, shall rise to higher summits of intellectual power and, with a greater variety of natural qualities, achieve excellence in more numerous ways. This vision was denied to Mr. Gallatin. He died at the threshold of the new era—of the golden age. A half century has not passed since his death, and the United States has taken from her soil a value of over three thousand millions of dollars, in gold and silver (gold two thousand millions, silver one thousand millions), more than two thirds of the total amount estimated by Mr. Gallatin as the store of Europe in 1839; and has also added to her population, by immigration alone, ten millions of people, of whom but a small proportion are of the Anglo-Saxon race.

FOOTNOTES:

[19] *Life of Albert Gallatin*, p. 546.

[20] The frigate Chesapeake was captured by the British man-of-war Leopard in June, 1807.

[21] A translation of this work, *Economie Politique*, was published under Jefferson's supervision in 1818.

CHAPTER IX

ToC

CANDIDATE FOR THE VICE-PRESIDENCY

During the twelve years that Mr. Gallatin was in the Treasury he was continually looking for some man who could take his place in that office, and aid in the direction of national politics; to use his own words, “who could replace Mr. Jefferson, Mr. Madison, and himself.” Breckenridge of Kentucky only appeared and died. The eccentricities of John Randolph unfitted him for leadership. William H. Crawford of Georgia, Monroe's secretary of the treasury, alone filled Gallatin's expectations. To a powerful mind Crawford “united a most correct judgment and an inflexible integrity. Unfortunately he was neither indulgent nor civil, and, consequently, was unpopular.” Andrew Jackson, Gallatin said, “was an honest man, and the idol of the worshipers of military glory, but from incapacity, military habits, and habitual disregard of laws and constitutional provisions, entirely unfit for the office of president.” John C. Calhoun he looked upon as “a smart fellow, one of the first amongst second-rate men, but of lax political principles and an inordinate ambition, not over-delicate in the means of satisfying itself.” Clay he considered to be a man of splendid talents and a generous mind; John Quincy Adams to be 'wanting to a deplorable degree in that most essential quality, a sound and correct judgment.'

The contest lay between Adams and Crawford. Crawford was the choice of Jefferson and Madison as well as of Gallatin. The principles of the Republican party had so changed that Nathaniel Macon could say in 1824, in reply to a request from Mr. Gallatin to take part in a caucus for the purpose of forwarding Mr. Crawford's nomination, that there were “not five members of Congress who entertained the opinions which those did who brought Mr. Jefferson into power.” But Macon was of the Brutus stamp of politicians; of that stern cast of mind which does not 'alter when it alteration finds or bend with the remover to remove,' and held yielding to the compulsion of circumstances to be an abandonment of principle.

Jefferson still held the consolidation of power to be the chief danger of the country, and the barrier of state rights, great and small, to be its only protection even against the Supreme Court. Gallatin took broader ground, and found encouragement in the excellent working of universal suffrage in the choice of representatives to legislative bodies. But he was opposed to the extension of the principle to municipal officers having the application of the proceeds of taxes, forgetting that universal suffrage is the lever by which capital is moved to educate labor and relieve it from the burdens of injury, disease, and physical incapacity at the expense of the whole. Without stopping to argue these debatable questions, Mr. Gallatin, with practical statesmanship, determined to maintain in power the only agency by which he could at all shape the political future, and he threw himself into the canvass with zeal.

Crawford had unfortunately been stricken with paralysis, and the choice of a vice-president became a matter of grave concern. Mr. Gallatin was selected to take this place on the ticket. To this tender he replied that he did not want the office, but would dislike to be proposed and not elected, and he honestly felt that as a foreigner and a residuary legatee of Federal hatred his name could not be of much service to the cause. Still, he followed the only course by which any party can be held together, and surrendered his prejudices and fears to the wishes of his friends. The Republican caucus met on February 14, 1824, in the chamber of the House of Representatives. Of the 216 members of the party only 66 attended. Martin Van Buren, then senator from New York, managed this, the last congressional caucus for the selection of candidates.

The solemnity given to the congressional nominations, and the publicity of the answers of candidates, Mr. Gallatin held to be political blunders. In fact the plan was adroitly denounced as an attempt to dictate to the people.

Crawford was nominated for president by 64 votes, Gallatin for vice-president by 57. This nomination Mr. Gallatin accepted in a note to Mr. Ruggles, United States senator, on May 10, 1824. But there were elements of which party leaders of the old school had not taken sufficient account. Macon was right when he said that “every generation, like a single person, has opinions of its own, as much so in politics as anything else,” and that 'the opinions of Jefferson and those who were with him were forgotten.' And Jefferson himself, in his complacent reflection that even the name of Federalist was “extinguished by the battle of New Orleans,” did not see that the Republican party of the old school had been snuffed out by the same event. The new democracy, whose claims to rule were based, not on the policy of peace or restricted powers, but on the seductive glitter of military glory, was in the ascendant, and General Jackson was the favorite of the hour. New combinations became necessary, and Mr. Gallatin was requested to withdraw from the ticket, and make room for Mr. Clay, whose great western influence it was hoped would save it from defeat. This he gladly did in a declaration of October 2, addressed to Martin Van Buren, dated at his Fayette home, and published in the “National Intelligencer.” The result of the election was singular. Calhoun was elected vice-president by the people. The presidential contest was decided in the House, Adams being chosen over Jackson and Crawford, by the influence of Clay. Mr. Gallatin quickly discerned in the failure of the people to elect a president the collapse of the Republican party. He considered it as “fairly defunct.”

Jackson had already announced the startling doctrine that no regard was to be had to party in the selection of the great officers of government, which Mr. Gallatin considered as tantamount to a declaration that principles and opinions were of no importance in its administration. To lose sight of this principle was to substitute men for measures. Jackson's idea of party, however, was personal fealty. He engrafted the *pouvoir personnel* on the Democratic party as thoroughly as Napoleon could have done in his place. Moreover, Gallatin considered Jackson's assumption of power in his collisions with the judiciary at New Orleans and Pensacola, and his orders to take St. Augustine without the authority of Congress, as dangerous assaults upon the Constitution of the country and the liberties of the people, and he dreaded the substitution of the worship of a

military chieftain for the maintenance of that liberty, the last hope of man. Ten years later he uttered the same opinion in a conversation with Miss Martineau, and he expressed a preference for an annual president, a cipher, so that all would be done by the ministry. But in the impossibility of this plan, he would have preferred a four years' term without renewal or an extension of six years; an idea adopted by Davis in his plan of disintegration by secession. The presidency, Mr. Gallatin thought, was “too much power for one man; therefore it fills all men's thoughts to the detriment of better things.”

When Mr. Gallatin visited Washington in 1829, he found a state of society, political and social, widely at variance with his own experience. The ways of Federalist and Republican cabinets were traditions of an irrevocable past. Jackson was political dictator, and took counsel only from his prejudices. The old simplicity had given way to elegance and luxury of adornment. The east room of the presidential mansion was covered with Brussels carpeting. There were silk curtains at the windows, French mirrors of unusual size, and three splendid English crystal chandeliers. In the dining-room were a hundred candles and lamps, and silver plate of every description, and presiding over this magnificence the strange successors of Washington and his stately dame, of Madison and his no less elegant wife,—the Tennessee backwoodsman and Peggy O'Neil.

When, it is not too soon to ask, in the general reform of civil service, shall the possibility of such anomalies be entirely removed by restricting the executive mansion to an executive bureau, and entirely separating social ceremony from official state, to the final suppression of back stairs influence and kitchen cabinets?

CHAPTER X

ToC

SOCIETY—LITERATURE—SCIENCE

Mr. Gallatin's land speculations were not profitable. His plan of Swiss colonization did not result in any pecuniary advantage to himself. His little patrimony, received in 1786, he invested in a plantation of about five hundred acres on the Monongahela. Twelve years later, in 1798, he was neither richer nor poorer than at the time of his investment. The entire amount of claims which he held with Savary he sold in 1794, without warranty of title, to Robert Morris, then the great speculator in western lands, for four thousand dollars, Pennsylvania currency. This sum, his little farm, and five or six hundred pounds cash were then his entire fortune. In 1794, the revolution in Switzerland having driven out numbers of his compatriots, he formed a plan of association consisting of one hundred and fifty shares of eight hundred dollars each, of which the Genevans in Philadelphia, Odier, Fazzi, the two Cazenove, Cheriot, Bourdillon, Duby, Couronne, Badollet, and himself took twenty-five each. Twenty-five were offered to Americans, which were nearly all taken up, and one hundred were sent to Geneva, Switzerland, to D'Yvernois and his friends. The project was to purchase land, and Mr. Gallatin had decided upon a location in the northeast part of Pennsylvania, or in New York, on the border. In the summer Gallatin made a journey through New York to examine lands with the idea of occupation. In July, 1795, he made a settlement with Mr. Morris, taking his notes for three thousand five hundred dollars. Balancing his accounts, Mr. Gallatin then found himself worth seven thousand dollars, in addition to which he had about twenty-five thousand acres of waste lands and the notes of Mr. Morris. In 1798 Mr. Morris failed, and, under the harsh operations of the old law, was sent to jail. Mr. Gallatin never recovered the three thousand dollars owed to him in the final balance of his real estate operations.

After Mr. Gallatin left the Treasury he located patents for seventeen hundred acres of Virginia military lands in the State of Ohio, on warrants purchased in 1784. In 1815 he valued his entire estate, exclusive of his farm on the Monongahela, at less than twelve thousand dollars. Forty years later he complained of his investment as a troublesome and unproductive property, which had plagued him all his life. Besides the purchase of lands, Mr. Gallatin invested part of his little capital in building houses on his farm, and in the country store which Badollet managed. The one yielded no return, and the sum put in the other was lost through the incompetency of his honest but inexperienced friend. His wife brought him a small property, but at no time in his life was he possessed of more than a modest competency. But he had never any discontent with his fortune nor any desire to be rich.

Mrs. Gallatin, who had always until her marriage lived in cities, was entirely unfit for frontier life. In these days of railroads it is not easy to measure the isolation of their country home. Pittsburgh was nearly five days' journey from Philadelphia, and the crossing of the Alleghanies took a day and a half more. Before his marriage Mr. Gallatin had seen very little of society. Though in early manhood he felt no embarrassment among men, he said 'that he never yet was able to divest himself of an anti-Chesterfieldian awkwardness in mixed companies.' He did not take advantage of his residence in Philadelphia to accustom himself to the ways of the world. There he lived in lodgings and met the leading public characters of both parties. But when he took his seat in the cabinet, he found it necessary to enter upon housekeeping and to take a prominent part in society, for which his wife was admirably suited, both by temperament and education. Washington Irving wrote of her in November, 1812, that she was 'the most stylish woman in the drawing-room that session, and that she dressed with more splendor than any other of the noblesse;' and again the same year compared her with the wife of the President, whose courtly manners and consummate tact and grace are a tradition of the republican court. “Tell your good lady,” mother Irving wrote to James Renwick, “that Mrs. Madison has been much indisposed, and at last Wednesday's evening drawing-room Mrs. Gallatin presided in her place. I was not present, but those who were assure me that she filled Mrs. Madison's chair to a miracle.” This is in the sense of dignity, for

Mrs. Gallatin was of small stature.

Mr. Gallatin's house shared the fate of the public buildings and was burned by the British when Washington was captured in 1814. He was then abroad on the peace mission. On his return from France Mr. Gallatin made one more attempt to realize his early idea of a country home, and with his family went in the summer of 1823 to Friendship Hill. Here an Irish carpenter built for him a house which he humorously described as being in the 'Hyberno-teutonic style,—the outside, with its port-hole-looking windows, having the appearance of Irish barracks, while the inside ornaments were similar to those of a Dutch tavern, and in singular contrast to the French marble chimney-pieces, paper, mirrors, and billiard-table.' In the summer Friendship Hill was an agreeable residence, but Mr. Gallatin found it in winter too isolated even for his taste.

One exciting circumstance enlivened the spring of 1825. This was the passage of Lafayette, the guest of the nation, through western Pennsylvania on his famous tour. Mr. Gallatin welcomed him in an address before the court-house of Uniontown, the capital of Fayette County, on May 26. In his speech Mr. Gallatin reviewed the condition of the liberal cause in Europe, and the emancipation of Greece, then agitating both continents. In this all scholars as well as all liberals were of one mind and heart. After the proceedings Lafayette drove with Mr. Gallatin to Friendship Hill, where he passed the night; crowds of people pouring down the valley from the mountain roads to see the adopted son of the United States, the friend of Washington, the liberator of France. The intimacy between these two great men, who had alike devoted the flower of their youth to the interests of civilization and the foundation of the new republic, was never broken.

Mr. Gallatin passed only one winter at New Geneva. On his return from his last mission to England he settled permanently in New York, and in 1828 took a house at No. 113 Bleecker Street, then in the suburbs of the city. He wrote to Badollet in March, 1829, that "it was an ill-contrived plan to think that the banks of the Monongahela, where he was perfectly satisfied to live and die in retirement, could be borne by the female part of his family, or by children brought up at Washington and Paris." The population of New York has always been migratory, and Mr. Gallatin was no exception to the rule. In the ten years which followed his first location he changed his residence on four May days, finally settling at No. 57 Bleecker Street, nearly opposite to Crosby Street. His life in New York is a complete period in his intellectual as in his physical existence, and the most interesting of his career. His last twenty years were in great measure devoted to scientific studies.

The National Bank, over which he presided for the first ten years, took but a small part of his time. The remainder was given up to study and conversation, an art in which he had no superior in this country and probably none abroad. Soon after his arrival in New York, Mr. Gallatin was chosen a member of “The Club,” an association famous in its day. As no correct account of this social organization has ever appeared, the letter of invitation to Mr. Gallatin is of some interest. It was written by Dr. John Augustine Smith, on November 2, 1829. An extract gives the origin of the club.

> “Nearly two years ago some of the literary gentlemen of the city, feeling severely the almost total want of intercourse among themselves, determined to establish an association which should bring them more frequently into contact. Accordingly they founded the 'Club' as it is commonly called, and which I believe I mentioned to you when I had the pleasure of seeing you in Bond Street. Into this 'Club' twelve persons only are admitted, and there are at present three gentlemen of the Bar, Chancellor Kent, Messrs. Johnston and Jay, three professors of Columbia College, Messrs. McVickar, Moore, and Renwick, the Rev. Drs. Wainwright and Mathews, the former of the Episcopal Church, the latter of the Presbyterian Church, two merchants, Messrs. Brevoort and Goodhue, and I have the honor to represent the medical faculty. Our twelfth associate was Mr. Morse, of the National Academy of Design, of which he was president, and his departure for Europe has caused a vacancy. For agreeableness of conversation there is nothing in New York at all comparable to our institution. We meet once a week; no officers, no formalities; invitations, when in case of intelligent and distinguished strangers, and after a plain and light repast, retire about eleven o'clock.”

At this club Mr. Gallatin, with his wonderful conversational powers, became at once the centre of interest. The club met at the houses of members in the winter evenings. There was always a supper, but the rule was absolute that there should be only one hot dish served, a regulation which the ladies endeavored to evade when the turn of their husbands arrived to supply the feast. Among the later members were Professor Anderson, John A. Stevens, Mr. Gallatin's countryman De Rham, John Wells, Samuel Ward, Gulian C. Verplanck, and Charles King. No literary symposium in America was ever more delightful, more instructive, than these meetings. On these occasions Mr. Gallatin led the conversation, which usually covered a wide field. His memory was marvelous, and his personal acquaintance with the great men who were developed by the French Revolution, emperors and princes, heroes, statesmen, and men of science, gave to the easy flow of his speech the zest of anecdote and the spice of epigram. Once heard he was never forgotten. And this rare faculty he preserved undiminished to the close of his life. Washington Irving, himself the most genial of men, and the most graceful of talkers, wrote of him, after meeting him at dinner, in 1841: “Mr. Gallatin was in fine spirits and full of conversation. He is upwards of eighty, yet has all the activity and clearness of mind and gayety of spirits of a young man. How delightful it is to see such intellectual and joyous old age: to see life running out clear and sparkling to the last drop! With such a blessed temperament one would be content to linger and spin out the last thread of existence.”

At the close of the year 1829 Mr. Gallatin attempted to carry out his old and favorite plan of the "establishment of a general system of rational and practical education fitted for all, and gratuitously open to all." The want of an institution for education, combining the advantages of a European university with the recent improvements in instruction, was seriously felt. New York, already a great city, and rapidly growing, offered the most promising field for the national university on a broad and liberal foundation correspondent to the spirit of the age. The difficulty of obtaining competent teachers of even the lower branches of knowledge in the public schools, the system of which was in its infancy, was great. Persons could be found with learning enough, but they were generally deficient in the art of teaching. Governor Throop noticed this deficiency in his message of January, 1830, without, however, the recommendation of any remedy by legislation. The existing colleges could not supply the want. At this period religious prejudice controlled the actions of men in every walk of life; for the old colonial jealousies of Episcopalian and Presbyterian survived the Revolution. The religious distrust of scientific investigation was also at its height. Columbia College, the successor of old King's College, was governed in the Episcopalian interest. Private zeal could alone be relied upon to establish the new enterprise on a foundation free from the influence of clergy; an indispensable condition of success. These were the views of Mr. Jefferson in 1807. These were the views of Mr. Gallatin. In response to his request abundant subscriptions in money and material were at once forthcoming.

The project of a national university at New York was received by the literary institutions of the United States with great enthusiasm. In October, 1830, a convention of more than a hundred literary and scientific gentlemen, delegates from different parts of the country, and of the highest distinction, was held in the common-council chamber. The outcome of their deliberations was the foundation of the New York University. Mr. Gallatin was the president of the first council, but his connection with the institution was of short continuance. The reasons for his withdrawal were set forth in a letter to his old friend, John Badollet, written February 7, 1833. Beginning with an expression of his desire to devote what remained of his life "to the establishment in this immense and growing city (New York) of a general system of rational and practical education fitted for all and gratuitously opened to all," he said, "but finding that the object was no longer the same, that a certain portion of the clergy had obtained the control, and that their object, though laudable, was special and quite distinct from mine, I resigned at the end of one year rather than to struggle, probably in vain for what was nearly unattainable." The history of the university through its precarious existence of half a century amply justifies Mr. Gallatin's previsions and retirement. Instead of an American Sorbonne, of which he dreamed, it has never been more than a local institution, struggling to hold a place in a crowded field.

Mr. Gallatin followed the evolutions of French politics with interest. His friend Lafayette, who, during the Empire, lived in almost enforced retirement at his estate of La Grange, was a voluntary exile from the court of Charles X., whose autocratic principles and aggressive course were rapidly driving France into fresh revolution. In July, 1830, the crisis was precipitated by the royal decrees published in the "Moniteur." Lafayette, who was on his estate, hurried instantly to Paris, where he became a rallying point, and himself signed the note to the king, announcing that he had ceased to reign. In September following it fell to him to write to Mr. Gallatin on the occasion of the marriage of Gallatin's daughter. In this union Lafayette had a triple interest. Besides his personal attachment for Mr. Gallatin, each of the young couple was descended from one of his old companions-in-arms. The groom, Mr. Byam Kerby Stevens, was a son of Colonel Ebenezer Stevens, of the continental service, who was Lafayette's chief of artillery in his expedition against Arnold in Virginia, in the spring of 1781; the bride, Frances Gallatin, was, on the mother's side, the granddaughter of Commodore James Nicholson, who commanded the gunboats which, improvised by Colonel Stevens, drove out the British vessels from Annapolis Bay and opened the route to the blockaded American flotilla.[22]

> "Paris, *September* 8, 1830.
>
> "My Dear Friend:—A long time has elapsed since I had the pleasure to hear from you. I need not, I hope, add, that my affectionate feelings have been continually with you, especially in what related to my young friend whose change of name has more deeply interested every member, and in a very particular manner, the younger part of the family. Let me hear of you all, and receive my tender regards and wishes, with those of my children and grandchildren. Lafayette."

Both of the young people had the honor of Lafayette's acquaintance,—Mr. Stevens during a visit to Paris, and Miss Gallatin during her father's residence there as minister, when she was much admired, and was, in the words of Madame Bonaparte (Miss Patterson), 'a beauty.' In this letter Lafayette gives a picturesque account of the three days' fighting at the barricades, and of the departure of the ex-king and the royal army, accompanied by "some twenty thousand Parisians, in coaches, hacks, and omnibus.... The royal party, after returning the jewels of the crown, went slowly to Cherbourg with their own escort, under the protection of three commissioners, and were there permitted quietly to embark for England."

In 1834 Mr. Gallatin's sympathies were greatly excited by the arrival at New York of a number of Poles, many of them educated men, and among them Etsko, a nephew of Kosciusko. A public committee was raised, called the Polish committee, of which Mr. Gallatin was chosen chairman. Besides superintending the collection of funds, he arranged and carried out in the minutest details a plan to quarter the exiles upon the inhabitants. A list of names ending in *ski* still remains among his papers; to each was assigned a number, and they were allotted by streets and numbers,—number 182, one Szelesegynski, was taken by Mr. Gallatin himself, to look after horses. These

unfortunate men were then distributed through the country, as occupations could be found. In October Mr. Gallatin's notes show that all had been provided for except fourteen boys, for whom a subscription was taken up. A tract of land in Illinois was assigned by Congress to these political exiles.

Mr. Gallatin's first acquaintance with the American Indian was made at Machias. In the neighborhood of this frontier town, across the Canadian border, there were still remnants of the Abenaki and Etchemin tribes. They were French in sympathy, and all converts to the Roman Catholic faith. Mr. Lesdernier, with whom Gallatin lodged, had influence over them from the trade he established with them in furs, and as their religious purveyor. He had paid a visit to Boston at the time the French fleet was there in 1781, and brought home a Capuchin priest for their service. To the young Genevan, brought up in the restrictions of European civilization, the history of the savage was a favorite study. In the winter evenings, in the quiet of the log hut, with the aid of one familiar with the customs and traditions of the race, the foundations were laid of a permanent interest in this almost untrodden branch of human science. The Canadian Indians, however, hemmed in by French and English settlements, were semi-civilized. The Miamis and Shawnees, who ranged the valley of the Ohio, were the tribes nearest to Gallatin's home on the Monongahela. These, though for a long time under the influence of the French, retained their original wildness, and were, during the first years of his residence, the dread of the frontier.

The interest aroused in the mind of Mr. Gallatin by personal observation was quickened by his intimacy with Jefferson, whose “Notes on Virginia,” published in 1801, contained the first attempt at a classification and enumeration of American tribes. The earlier work of Colden was confined to the Five Nations of the Iroquois Confederacy. The arrangement of the Louisiana territory, ceded by France, brought Mr. Gallatin into contact with Pierre Louis Chouteau, and an intimacy formed with John Jacob Astor, who was largely concerned in the fur trade of the Northwest, widened the field of interest, which included the geography of the interior and the customs of its inhabitants. Mr. Gallatin's examination of the subject was general, however, and did not take a practical scientific turn until the year 1823, when, at the request of Baron Alexander von Humboldt, he set forth the results of his studies in the form of a Synopsis of the Indian tribes. This essay, communicated by Humboldt to the Italian geographer Balbi, then engaged upon his "Atlas Ethnographique du Globe,"—a classification by languages of ancient and modern peoples,—was quoted by him in his volume introductory to that remarkable work published in 1826, in a manner to attract the attention of the scientific world. Vater, in his “Mithridates,” first attempted a classification of the languages of the globe, but the work of Mr. Gallatin, though confined in subject, was original in its conception and treatment. In the winter of 1825-26 a large gathering of southern Indians at Washington enabled him to obtain good vocabularies of several of the tribes. Uniting these to those already acquired, he published a table of all the existing tribes, and at the same time, at his instance, the War Department circulated through its posts a vocabulary containing six hundred words of verbal forms and of selected sentences, and a series of grammatical queries, to which answers were invited. He also opened an elaborate correspondence with such persons as were best acquainted with the Indian tribes in different sections of the country.[23] The replies to these various queries were few in number, but the practical plan, adhered to in substance, has resulted in the collection by the Smithsonian Institution of a very large number of Indian vocabularies.[24]

This class of investigation, in its ample scope for original research and the ascertainment of principles by analysis and analogic expression, was peculiarly agreeable to Mr. Gallatin. His friend, du Ponceau,[25] who served in the American war as the secretary of Steuben, and was now established in Philadelphia, was likewise deeply engaged in philologic studies; in 1819 he had published a memoir of the construction of the languages of the North American Indians, which he followed later with other papers of a similar nature, among which were a “Grammar of the Languages of the Lenni Lenape or Delaware Indians,” and a memoir on the grammatical system of the languages of the Indian tribes of North America, a learned and highly instructive paper, which took the Volney prize at Paris.

In 1836 Mr. Gallatin's original paper, contributed to Balbi, amplified by subsequent acquisitions, was published by the American Antiquarian Society of Worcester, in the first volume of its Transactions. It was entitled “A Synopsis of the Indian Tribes, within the United States east of the Rocky Mountains, and in the British and Russian Possessions in North America.” This elaborate inquiry, the foundation of the science in America, was intended originally to embrace all the tribes north of the Mexican semi-civilized nations. From the want of material, however, it was confined at the southward to the territory of the United States, and eastward of the Rocky Mountains. It included eighty-one tribes, divided into twenty-eight families, and was accompanied by a colored map, with tribal indications. The result of the investigation Mr. Gallatin held to be proof that all the languages, not only of our own Indian tribes, but of the nations inhabiting America from the Arctic Ocean to Cape Horn, have a distinct character common to all. This paper attracted great attention in Europe. It was reviewed by the Count de Circourt, whose interest in the subject was heightened by personal acquaintance with the author. John C. Calhoun, acknowledging receipt of a copy of the Synopsis, said in striking phrase 'that he had long thought that the analogy of languages is destined to recover much of the lost history of nations just as geology has of the globe we inhabit.'

In 1838, Congress having accepted the trust of John Smithson of £100,000, and pledged the faith of the United States for its purposes, Mr. Forsyth, the secretary of state, addressed Mr. Gallatin, at the request of the President, requesting his views as to its proper employment; but Mr. Gallatin does not appear to have answered the communication. The programme of the Smithsonian

Institution, inclosed to the board of regents in its first report, stated its object to be the increase and diffusion of knowledge, and bears marks of the general views which Mr. Gallatin had for many years urged on public attention. The first of the Smithsonian “Contributions to Knowledge” was the memoir of Ancient Monuments of the Mississippi Valley, by Squier and Davis. Before its publication was undertaken, however, it was submitted to the Ethnological Society. Mr. Gallatin returned it, with the approval of the society, and some words of commendation of his own addressed to Professor Henry, the learned superintendent of the Smithsonian Institution.

The period of temporary political repose, which followed the peace of Vienna and the establishment of the balance of power by the allied sovereigns, was an era in human knowledge. Science made rapid progress, and in its turn showed the broad and liberal influence of the great revolution. In 1842 societies were founded in Paris and London to promote the study of ethnology. Mr. Gallatin would not be behindhand in this important work for which America offered a virgin field. Drawing about him a number of gentlemen of similar tastes with his own, he founded in New York, in 1842, the American Ethnological Society. Among his associates were Dr. Robinson, the famous explorer of Palestine, Schoolcraft, Bartlett, and Professor Turner, noted for their researches in the history and languages of the Indian races. Messrs. Atwater, Bradford, Hawks, Gibbs, Mayer, Dr. Morton, Pickering, Stephens, Ewbank, and Squier were also, either in the beginning or soon after, members of this select and learned institution, of which Mr. Gallatin was the central figure. One of its members said in 1871, 'Mr. Gallatin's house was the true seat of the society, and Mr. Gallatin himself its controlling spirit. His name gave it character, and from his purse mainly was defrayed the cost of the two volumes of the “Transactions” which constitute about the only claim the society possesses to the respect of the scientific world.' To the first of these volumes, published in 1845, Mr. Gallatin contributed an “Essay on the semi-civilized nations of Mexico and Central America, embracing elaborate notes on their languages, numeration, calendars, history, and chronology, and an inquiry into the probable origin of their semi-civilization.” In this he included all existing certain knowledge of the languages, history, astronomy, and progress in art of these peoples. A copy of this work he sent to General Scott, then in the city of Mexico after his triumphant campaign, inclosing a memorandum which he urged the general to hand to civilians attached to the army. This was a request to purchase books, copies of documents, printed grammars, and vocabularies of the Mexican languages, and he authorized the general to spend four hundred dollars in this purpose on his account. In the second volume, published in 1848, he printed the result of his continued investigations on the subject which first interested him, as an introduction to a republication of a work by Mr. Hale on the “Indians of Northwest America.” This consisted of geographical notices, an account of Indian means of subsistence, the ancient semi-civilization of the Northwest, Indian philology, and analogic comparisons with the Chinese and Polynesian languages. These papers Mr. Gallatin modestly described to Chevalier as the 'fruits of his leisure,' and to Sismondi he wrote that he had not the requisite talent for success in literature or science. They nevertheless entitle him to the honorable name of the Father of American Ethnography.

In 1837 Mr. Wheaton, the American minister at Berlin, requested Mr. Gallatin to put the Baron von Humboldt in possession of authentic data concerning the production of gold in the United States. Humboldt had visited the Oural and Siberian regions in 1829, at the request of the Emperor of Russia, to make investigations as to their production of the precious metals. Mr. Gallatin was the only authority in the United States on the subject. Later von Humboldt wrote to Mr. Gallatin of the interest felt abroad, and by himself, in the gold of the mountains of Virginia and Tennessee, a country which rivaled on a small scale the Dorado of Siberia. The treasures of the Pacific coast were not yet dreamed of.

Mr. Gallatin perfectly understood the range of his own powers. He said of himself:—

> “If I have met with any success, either in public bodies, as an executive officer, or in foreign negotiations, it has been exclusively through a patient and most thorough investigation of all the attainable facts, and a cautious application of these to the questions under discussion.... Long habit has given me great facility in collating, digesting, and extracting complex documents, but I am not hasty in drawing inferences; the arrangement of the facts and arguments is always to me a considerable labor, and though aiming at nothing more than perspicuity and brevity, I am a very slow writer.”

Mr. Gallatin's manuscripts and drafts show long and minute labor in their well considered and abundant alterations. Referring on one occasion to his habit of reasoning, Mr. Gallatin remarked, that of all processes that of analogy is the most dangerous, yet that which he habitually used; that it required the greatest possible number of facts. This is the foundation of philology, and his understanding of its method and its dangers is the reason of his success in this branch of science.

The difficulty experienced in establishing any literary or scientific institutions in New York was very great. An effort made in 1830, which Mr. Gallatin favored, to establish a literary periodical failed, not on account of the pecuniary difficulties, but from the impossibility of uniting a sufficient number of able coöperators. But Mr. Gallatin's interest in literature was not as great as in science. [26]

In 1841 a national institution for the promotion of science was organized at Washington. The coöperation of Mr. Gallatin was invited, but the society had a short existence. In 1843 Mr. Gallatin was chosen president of the New York Historical Society. His inaugural address is an epitome of political wisdom. Pronounced at any crisis of our history, it would have become a text for the student. In this sketch he analyzed the causes which contributed to form our national character

and to establish a government founded on justice and on equal rights. He showed how, united by a common and imminent danger, the thirteen States succeeded in asserting and obtaining independence without the aid of a central and efficient government, and the difficulties which were encountered when a voluntary surrender of a part of their immense sovereignty became necessary as a condition of national existence. He said that the doctrine that all powers should emanate from the people is not a question of expediency.

In this address he summed up the reasons why Washington exercised such a beneficial influence upon the destinies of his country. In a confidential letter to his wife in 1797, he expressed an opinion that the father of his country was not a good-natured and amiable man, but time had mellowed these recollections and softened the asperity of this judgment. Washington had not, he said (in 1843), 'an extraordinary amount of acquired knowledge; he was neither a classical scholar nor a man of science, nor was he endowed with the powers of eloquence, nor with other qualities more strong than solid, which might be mentioned; but he had a profound and almost innate sense of justice, on all public occasions a perfect control of his strong passions,[27] above all a most complete and extraordinary self-abnegation. Personal consequences and considerations were not even thought of, they never crossed his mind, they were altogether obliterated.' Mr. Gallatin held that "the Americans had a right to be proud of Washington, because he was selected and maintained during his whole career by the people—never could he have been thus chosen and constantly supported had he not been the type and representative of the American people."

The commemoration of the fortieth anniversary of the foundation of the New York Historical Society, November, 1844, was an occasion of unusual interest. John Romeyn Brodhead, who had just returned from the Hague with the treasures of New Netherland history gathered during his mission, was the orator of the day. The venerable John Quincy Adams, Mr. Gallatin's old associate at Ghent, was present. After the address, which was delivered at the Church of the Messiah on Broadway, the society and its guests crossed the street to the New York Hotel, where a banquet awaited them. Mr. Gallatin retired early, leaving the chair to the first vice-president, Mr. Wm. Beach Lawrence. After he had left the room, Mr. Adams, speaking to a toast to the archæologists of America, said: "Mr. Gallatin, in sending to me the invitations of the society, added the expression of his desire 'to shake hands with me once more in this world.'" Mr. Adams could not but respond to his request. In his remarks he said:

> "I have lived long, sir, in this world, and I have been connected with all sorts of men, of all sects and descriptions. I have been in the public service for a great part of my life, and filled various offices of trust, in conjunction with that venerable gentleman, Albert Gallatin. I have known him half a century. In many things we differed; on many questions of public interest and policy we were divided, and in the history of parties in this country there is no man from whom I have so widely differed as from him. But in other things we have harmonized; and now there is no man with whom I more thoroughly agree on all points than I do with him. But one word more let me say, before I leave you and him, birds of passage as we are, bound to a warmer and more congenial clime,—that among all public men with whom I have been associated in the course of my political life, whether agreeing or differing in opinion from him, I have always found him to be an honest and honorable man."

In the road to harmony Mr. Adams had to do the traveling. Mr. Gallatin never changed his political opinions. The political career of the two men offered this singular contrast: Adams, dissatisfied with his party, passed into opposition; Gallatin, though at variance with the policy of the administration of which he made a part, held his fealty, and confined himself to the operations of his own bureau.

For a period far beyond the allotted years of man Mr. Gallatin retained the elasticity of his physical nature as well as his mental perspicacity. In middle age he was slight of figure, his height about five feet ten inches, his form compact and of nervous vigor. His complexion was Italian;[28] his expression keen; his nose long, prominent; his mouth small, fine cut, and mobile; his eyes hazel, and penetrative; his skull a model for the sculptor. Thus he appears in the portrait painted by Gilbert Stuart about the time that he took charge of the Treasury Department; he was then about forty years of age. In the fine portrait by William H. Powell, taken from life in 1843, and preserved in the gallery of the New York Historical Society, these characteristics appear in stronger outline. Monsieur de Bacourt,[29] the literary executor of Talleyrand, who was the French Ambassador to the United States in 1840, paid a visit to Mr. Gallatin in that year, and describes him as a "beau vieillard de quatre-vingt ans," who has fully preserved his faculties. Bacourt alludes to his remarkable face, with its clear, fine cut features, and his "physiognomie pleine de finesse;" and dwells also upon the ease and charm of his conversation.

As his life slowly drew to its close, one after another of the few of his old friends who remained dropped from the road. Early in 1848 Adams fell in harness, on the floor of the House of Representatives; Lord Ashburton died in May. Finally, nearest, dearest of all, the companion of his triumphs and disappointments, the sharer of his honors and his joys, his wife, was taken from him by the relentless hand. The summer of 1849 found him crushed by this last affliction, and awaiting his own summons of release. He was taken to Mount Bonaparte, the country-seat of his son-in-law, at Astoria on Long Island, where he died in his daughter's arms on Sunday, August 12, 1849. The funeral services were held in Trinity Church on the Tuesday following, and his body was laid to rest in the Nicholson vault,[30] in the old graveyard adjoining. The elegant monument erected during his lifetime is one of the attractive features of this venerable cemetery, in whose dust

mingle the remains of the temple of no more elevated spirit than his own. The season was a terrible one—the cholera was raging, the city was deserted. In the general calamity private sorrow disappeared, or the occasion would have been marked by a demonstration of public grief and of public honor. As the tidings went from city to city, and country to country, the friends of science, of that universal wisdom which knows neither language nor race, paused in their investigations to pay respectful homage to his character, his intellect, and to that without which either or both in combination are inadequate to success—his labor in the field.

On October 2, 1849, at the first meeting of the Historical Society after the death of Mr. Gallatin, Mr. Luther Bradish, the presiding officer, spoke of him in impressive words, as the last link connecting the present with the past. He dwelt upon the peculiar pleasure with which the presence of Mr. Gallatin was always hailed, and the peculiar interest it gave to the proceedings of the society, and many an eye was dimmed, as he recalled the venerable form, the beautifully classic head, the countenance ever beaming with intelligence, and summed up the long and useful career of the departed sage in these impressive words:—

> "The name of Albert Gallatin is emphatically a name of history. Few men have lived in any age whose biographies have been so intimately connected with the history of their country. Living in one of the most interesting periods of the world, a period of great events, of the discussion of great principles and the settlement of great interests, almost the whole of his long and active life was passed in public service amidst those events and in those discussions.... For nearly half a century he was almost constantly employed in the public service; almost every department of that service has received the benefit of his extraordinary talents and his varied and extensive and accurate knowledge. Whether in legislation, in finance, or in diplomacy, he has been equally distinguished in all. In all or in either he has had few equals and still fewer superiors."

To Jeremy Bentham Mr. Gallatin acknowledged himself indebted, as his master in the art of legislation; but from whatever ground he drew his maxims of government, they were reduced to harmony in the crucible of his own intelligence by the processes of that brain which Spurzheim pronounced capital,[31] and Dumont held to be the best head in America. In that massive and profound structure lay faculties of organization and administration which mark the Latin and Italian mind in its highest form of intellectual development.

His moral excellence was no less conspicuous than his intellectual power. He had a profound sense of justice, a love of liberty, and an unfaltering belief in the capacity of the human race for self-rule. Versed in the learning of centuries, and familiar with every experiment of government, he was full of the liberal spirit of his age. To a higher degree than any American, native or foreign born, unless Franklin, with whose broad nature he had many traits in common, Albert Gallatin deserves the proud title, aimed at by many, reached by few, of Citizen of the World.

FOOTNOTES:

[22] An account of this expedition may be found in the publications of the Maryland Historical Society.

[23]

WASHINGTON, 29*th May*, 1826.

SIR,—Mr. Stewart communicated to me your answer of 4th April last to the letter which, at my request, he had addressed to you; and I return you my thanks for your kind offer to forward the object in view,—one which is not, however, of a private nature but connected with what is intended to be a National work; and I have delayed writing in order to be able to send at the same time the papers herewith transmitted.

It is at my suggestion that the Secretary of War has, with the approbation of the President, taken measures to collect comparative vocabularies of all the languages and dialects of the Indian tribes still existing within the United States. The circular is addressed to all the Indian superintendents and agents, and to the missionaries with whom the Department corresponds. But they have no agent with the Nottoways, and we are fortunate that you should have been disposed to lend your aid on this occasion.

It is the intention of government that the result of these researches should be published, giving due credit to every individual who shall have assisted in a work that has been long expected from us, and which will be equally honorable to the persons concerned and to the country. It had been my intention to contribute my share in its further progress: this my approaching departure for Europe forbids. The inclosed papers, attending to the Notes and to the circular, are so full that I need not add any further explanation, and have only to request that you will have the goodness to transmit whatever vocabulary and other information you may obtain to Colonel Tho. L. McKinney, Office of Indian Affairs, under cover directed to the Secretary of War. Mr. McKinney will also be happy to answer any queries on the subject you may have to propose.

I have the honor to be respectfully, sir,
Your most obedient servant,
ALBERT GALLATIN

Mr. James Rochelle,

Jerusalem, Southampton County, Virginia.
Communicated by J. H. Rochelle, Jerusalem, Virginia.

[24] Among the most distinguished of those who have followed the pathway indicated by Mr. Gallatin was the late George Gibbs, an indefatigable student and an admirable ethnologist. His Chinook jargon was published by the Smithsonian Institution.

[25] Mr. du Ponceau became president of the learned societies of Pennsylvania: the Historical Society and the American Philosophical Society.

[26] His favorite novel was *The Antiquary*, which he read once a year. Novels, he said, should be read, the last chapter first, in order that appreciation of the style should not be lost in the interest excited by the story.

[27] Mr. Gallatin's assertion, which corresponded with that of Jefferson, that Washington had naturally strong passions, but had attained complete mastery over them, is quoted by the Earl of Stanhope (Lord Mahon) in his famous eulogy of Washington's attributes.

[28] The Gallatins claim to descend from one Callatinus, a Roman Consul.

[29] *Souvenirs d'un Diplomate.* Paris, 1882.

[30] This was the vault of the Witter family, a daughter of which Commodore Nicholson married.

[31] "In my youth the fashion was to decide in conformity with Lavater's precepts; then came Camper's facial angle, which gave a decided superiority to the white man and monkey; and both have been superseded by the bumps of the skull. This criterion is that which suits me best, for Spurzheim declared I had a *capital* head, which he might without flattery say to everybody." *Gallatin to Lewis T. Cist of Cincinnati, November* 21, 1837.

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