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Title: Letter from James Buchanan to Thomas J. Randolph

Date: February 20, 1838

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Washington 20 February 1828

My dear Sir,

I feel much indebted to you for your very acceptable letter which I received this morning. I have for some time felt a strong desire to make your personal acquaintance; and I trust that our correspondence may be the prelude to an intimate friendship. Col: Nicholas & myself intend to visit Richmond before the close of your sojourn when I hope we shall have the pleasure of meeting.

The Sub-Treasury Bill, unless I am greatly mistaken, will pass the Senate by a majority of two votes. It may be created; but I think it cannot be less. What will be its fate in the House, I am not able to inform you; but Mr Wright told me to day that the Speaker entertains high hopes of its success. From all I can learn, it has been gaining friends in that body. I feel confident that the more it is discussed, the more acceptable it will become to the people.

The attempt which has been made to induce the public to believe, that it would establish a great Government Bank must be rendered ridiculous the moment the question is understood. The Secretary of the Treasury, or rather the Treasury Department, always has had, and from the nature of things, always must have, ^{under any system} the power of drawing drafts in favor of the public creditors, and of transferring the public funds from places where they are not to places where they are wanted. These are the only powers out of which gentlemen have created a Government Bank. In order to prevent the possibility of the creditors of the Government using these drafts as a currency, I offered an amendment at the special session, requiring that they should be presented for payment at short periods after they were drawn; and this has been incorporated in the present Bill.

Then as to patronage. The Bill provides for the appointment of four Receivers General whose united salaries will amount to \$10,500 per annum. Two or three clerks may be required at each of these offices; and these, with the ~~expense~~ agents which may be appointed to count the money in the hands of the Depositories constitute the whole of the Executive patronage.

I mention these details, because you may not be so familiar with them as I know you to be with the general principles of the Bill, from a perusal of your admirable letter.

What might be the views of the administration upon the subject in case the Bill should be defeated I cannot inform you positively. I know Mr. Van Buren is at this time firm & decided in his preference for the system, and I do not anticipate any change. For my own part, I believe as firmly that it must eventually prevail, as I believe in the honesty & intelligence of the American people. When I speak in these strong terms, I do not refer to the very Bill now before the Senate; but to that or some other measure which shall ^{effectually} separate the Treasury from the Banks as fiscal agents. If you did me the honor of reading my remarks at the Special Session, you have discovered that I was then favorable to the receipt & disbursement of the notes of Specie paying Banks, in the vicinity of the Depositories, requiring frequent settlements ^{with them} & converting the balances into specie. I believed then & I still believe that whilst such a provision would operate as a wholesome restriction upon Bank issues; it would render the public funds almost equally secure & would afford some encouragement to the Banks.

I did not, however, consider it a matter of such consequence as to ~~would~~ justify me in separating from my friends, in the hour when there was so much defection in the Camp.

You speak of the gloomy information which you receive from Washington; whilst, on the other hand, I might detail to you ~~the~~ ^{our} doleful accounts from Richmond. This very day, with your letter in my pocket, it was confidently asserted that there were not more than forty votes in your Legislature in favor of the Sub: Treasury Bill, and that your Senators would be instructed to vote against it by a large majority. I should feel much indebted to you for an occasional line in relation to the progress of events at Richmond.

Mr. Clay considers the Substitute of Mr. Revie's as an excellent half way House on the road to a National Bank. In this particular I agree with him, although I cannot believe that its author so intended it. — Mr. Clay's speech will be heralded to the world as the master effort of a master mind; but, in my opinion, it was unworthy of his former fame. He is not what he was. Unequal to the task as I might have been, I should have attempted to answer it, had not my lips been sealed by the instructions which I received. And such instructions! Please to remember me to my excellent friend Judge Parker & believe me to be very respectfully yours

Thomas J. Randolph Esq

James Buchanan

Washington, 20 February 1838

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