

The Bank War

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Advanced Placement

(Suggested writing time ---45 minutes)

Directions: The following question requires you to construct a coherent essay that integrates your interpretation of Documents A – J and your knowledge of the period referred to in the question. High scores will be earned only by essays that both cite key pieces of evidence from the documents and draw on outside knowledge of the period.

Use the documents and your knowledge of history of the 1830s to construct your response.

Document A

To these must be added the knowledge the present bank has acquired of the business and wants of the various portions of this extensive country, which, being the result of time and experience, is an advantage ...necessarily possess over any new institution.

It is observed, moreover, that the facilities of capital actually afforded by the present institution to the agricultural, commercial, and manufacturing industry of all parts of the union could not be withdrawn even by transferring... to another institution, without a severe shock to each of those interest and to the relations of society generally.

Source: US Treasury Report on the US Bank, 1831

Document B

It is to be regretted that the rich and powerful too often bend the acts of government to their selfish purposes. Distinctions in society will always exist under every just government. Equality of talents, of education, or of wealth cannot be produced by human institutions. In the full enjoyment of the gifts of Heaven and the fruits of superior industry, economy, and virtue, every man is equally entitled to protection by law; but when the laws undertake to add to these natural and just advantages artificial distinctions, to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society—the farmers, mechanics, and laborers—who have neither the time nor the means of securing like favors to themselves, have a right to complain of the injustice of their government. There are no necessary evils in government. Its evils exist only in its abuses. If it would confine itself to equal protection, and, as Heaven does its rains, shower its favors alike on the high and the low, the rich and the poor, it would be and unqualified blessing.

Source: Jackson's Veto Message, 1832

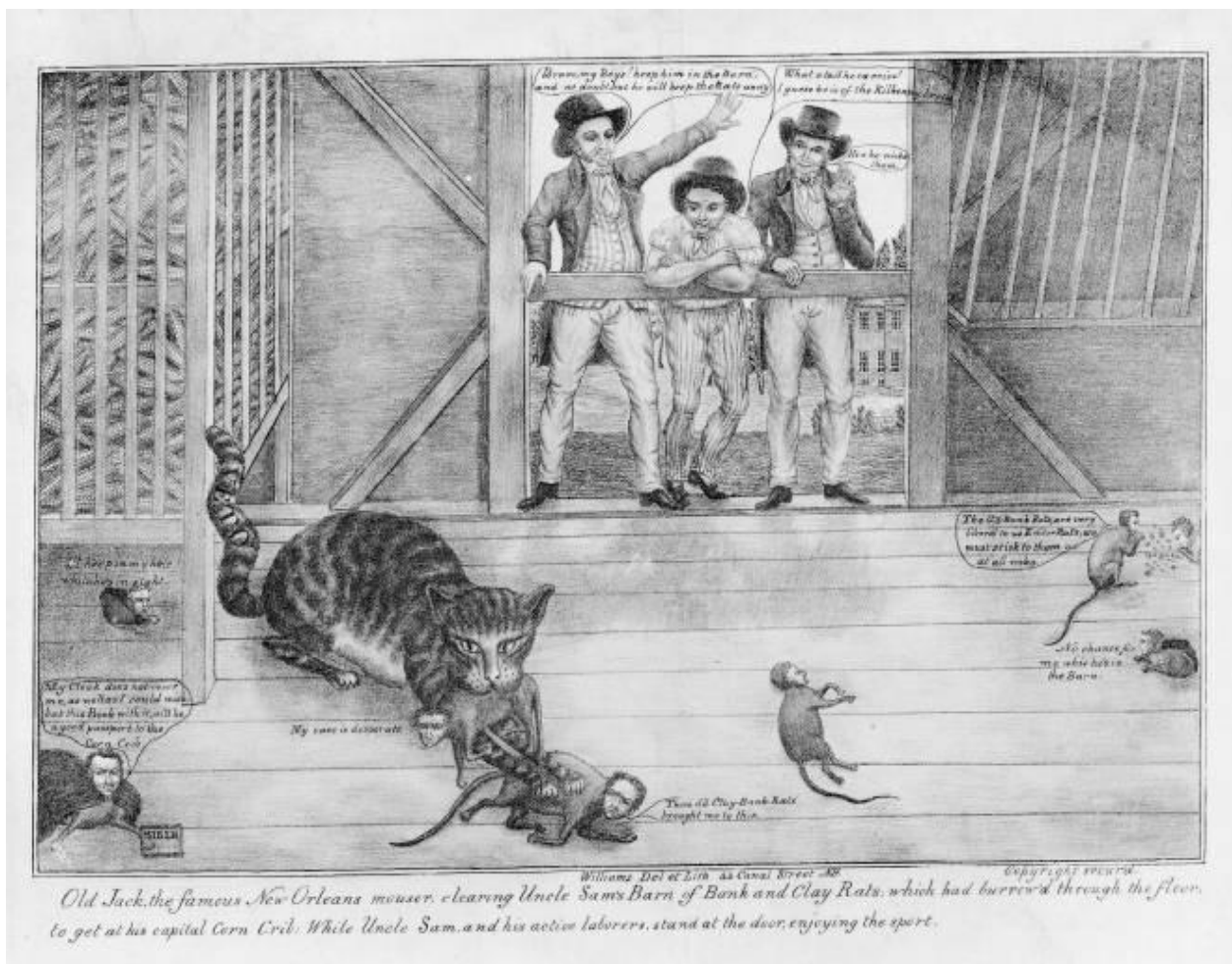
Document C

The veto is hardly reconcilable with the genius of representative government... Ought the opinion of one man to overrule that of a legislative body, twice deliberately expressed!... Before the establishment of the bank of the United States, the exchange business of the West was carried on by a premium, which was generally paid on all remittances of the East of two and a half per centum. The aggregate amount of all remittances, throughout the whole circle of the year... was very great, and instead of the sum then paid, we now pay half per centum, or nothing, if notes of the bank of the United States be used. Prior to the bank, we were without the capital of the thirty millions which that institution now supplies, stimulating our industry and invigorating our enterprise....

How is the West to pay this enormous debt of thirty millions of dollars? It is impossible. It can not be done. General distress, certain, widespread, inevitable ruin, must be the consequences of an attempt to enforce the payment. Depression in the value of all property, sheriff's sales and sacrifices, bankruptcy, must necessarily ensue, and, with them, relief laws, paper money, a prostration of the courts of justice, evils from which we have just emerged, must again, with all their train of afflictions, revisit our country.

Source: Henry Clay's Speech on Jackson's Veto, July 10, 1832

Document D



Source: Political Cartoon, 1832

Document E

You ask what is the effect of the veto. My impression is that it is working as well as the friends of the Bank & of the country could desire. I have always deplored making the Bank a party question, but since the President will have it so, he must pay the penalty of his own rashness. As to the veto message I am delighted with it. It has all the fury of a chained panther biting the bars of his cage. It is really a manifesto of anarchy? Such as Marat or Robespierre might have issues to the mob of the faubourgh {sic. Faubourg} St Antoine: and my hope is that it will contribute to relieve the country from the dominion of these miserable people. You are destined to be the instrument of that deliverance, and at no period of your life has the country ever had a deeper stake in you. I wish you success most cordially because I believe the institutions of the Union are involved in it.

Source: Letter to Henry Clay from Nicholas Biddle, August 1, 1832

Document F

The Bank veto...is the most wholly radical and basely Jesuitical document that ever emanated from any administration, in any country....It impudently asserts that Congress have acted prematurely, blindly, and without sufficient examination. It falsely and wickedly alleges that the rich and powerful throughout the country are waging that the rich and powerful throughout the country are waging a war of oppression against the poor and the weak; and attempts to justify the President on the ground of its being his duty thus to protest the humble when so assailed. Finally, it unblushing denies that the Supreme Court is the proper tribunal to decide upon the constitutionality of the laws!!

Source: *Boston Daily Atlas*, August 9, 1832

Document G

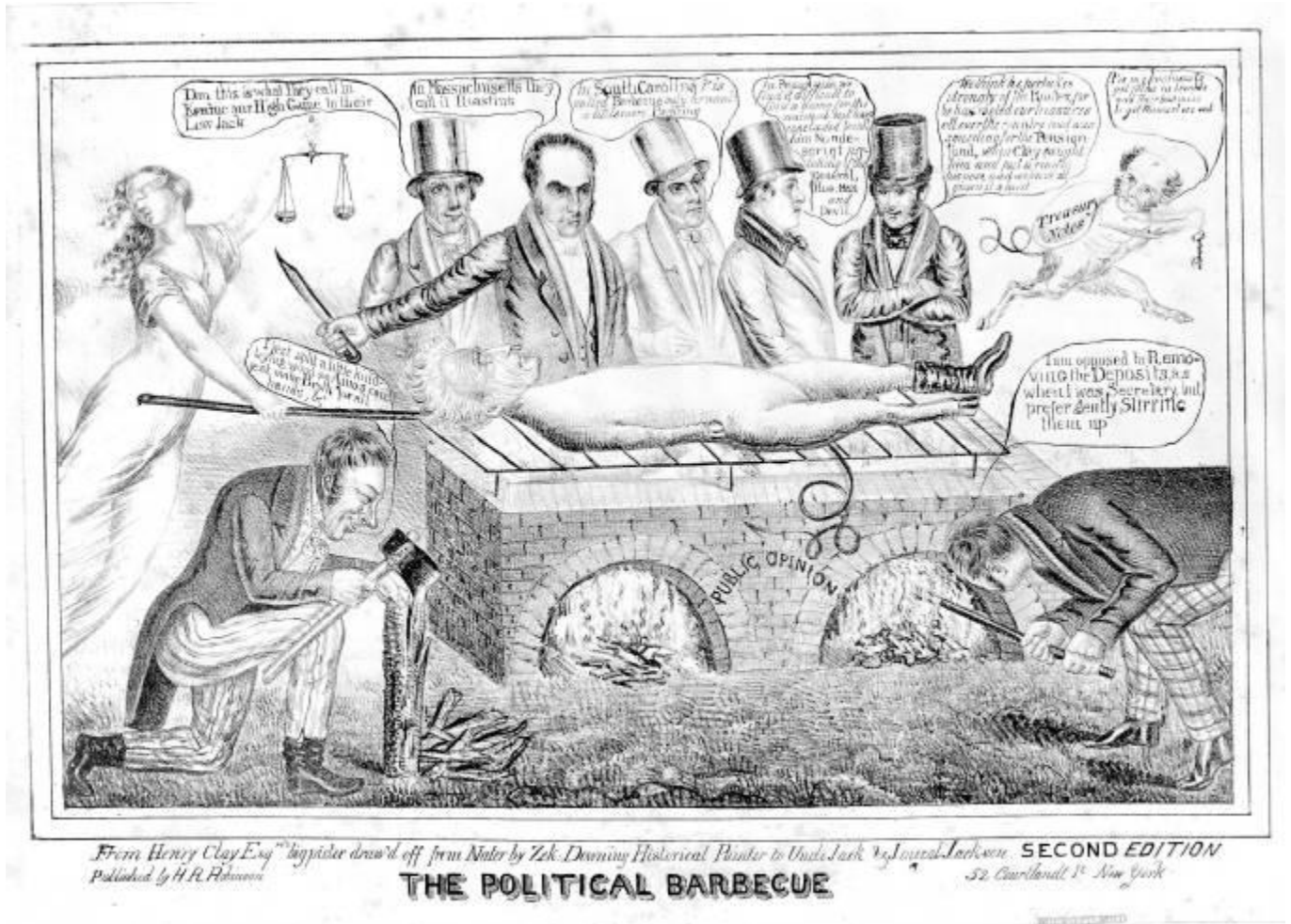
The national bank, though not properly a political institution, is one of the most important and valuable instruments that are used in the practical administration of the government...As the fiscal agent of the executive, it has exhibited a remarkable intelligence, efficiency, energy, and above all, INDEPENDENCE. This...has been its real crime as the regulator of the currency; it has furnished the country with a safe, convenient and copious circulating medium, and prevented the mischief's that would otherwise result from the insecurity of local banks. As a mere institution for loaning money, it has been...the Providence of the less wealthy sections of the Union...Through its dealings in exchange at home and abroad, the bank has materially facilitated the operations of our foreign and domestic trade. The important advantages which have thus been derived from this institution have been unattended by any countervailing evil.

Source: *Boston Daily Advertiser*, 1832

the hazards of debt, it is the clamor of capital deafening the voice of benevolence and legislative wisdom. When the creditor demands that the debtor may once more be allowed to pledge his body and his personal freedom, it is the clamor of capital... When the usurer invokes the aid of society to enforce the contracts, which he has wrung without mercy from the feverish hopes of pressing necessity, it is the clamor of capital, which like the grave never says, It is enough... The feud between the capitalist and the laborer, the house of Have and the house of Want, is as old as social union, and can never be entirely quieted...

Source: George Bancroft, 1834

Document J



Source: Political Cartoon, 1834

Question 1----Document-Based Question

The Bank War of the 1830s proved to be controversial both politically and economically. If you were a candidate for Congress in 1834, what would have been your position on this issue and how would you have defended your views?

Grading Rubric

The 8-9 Essay

- Contains a well-developed thesis that examines the political and economical ramifications of the US Bank and assesses the extent of influence on the agricultural, manufacturing, and commercial industries of the 1830s.
- Supports the thesis with an effective analysis of the reasons why the Democrats were in favor of not renewing the charter while the Whigs were. May be stronger on some aspects than others.
- Effectively use a substantial number of documents.
- Supports thesis with substantial and relevant outside information. May contain minor errors.
- Is clearly organized and well written.

The 5-7 Essay

- Contains a thesis that addresses the political and economical ramifications of the US Bank and its general need as part of the country's financial structure.
- Has a limited or implicit analysis of these influences, and the extent to which they affected the every day lives of all American in all sections of the country.
- Effectively uses some documents.
- Supports thesis with some relevant outside information
- May have errors that do not seriously detract from the quality of the essay.
- Shows acceptable organization and writing; language errors do not interfere with the comprehension of the essay.

The 2-4 Essay

- Contains a limited or undeveloped thesis.
- Lacks analysis; deals with the question in a general, simplistic, incomplete, or superficial manner.
- Merely paraphrases, quotes, or briefly cites documents.
- Contains little outside information, or information that is inaccurate or irrelevant.
- May contain major errors.
- May be poorly organized and/or poorly written.

The 0-1 Essay

- Lacks a thesis or simply restates the question.
- Exhibits inadequate or incorrect understanding of the question.
- Has little or no understanding of the documents or ignores them completely.
- Contains no outside information.