

Primary Source

Bank War Statement

When the rechartering of the Second Bank of the United States was pushed before Congress by bank president Nicholas Biddle, Andrew Jackson vetoed the bill. While the bank played a hand in the Panic of 1819, under the direction of Biddle, it had become a stabilizing economic force in the nation. However, Jackson believed as Thomas Jefferson had when it was first created, that the bank was unconstitutional. He made it clear by his words and actions that he would dismantle it. The following excerpt is from his 1832 message to Congress describing his reasons for the veto.

A bank of the United States is in many respects convenient for the Government and useful to the people. Entertaining this opinion, and deeply impressed with the belief that some of the powers and privileges possessed by the existing bank are unauthorized by the Constitution, subversive of the rights of the States, and dangerous to the liberties of the people....

The present corporate body, denominated the president, directors, and company of the Bank of the United States, will have existed at the time this act is intended to take effect twenty years. It enjoys an exclusive privilege of banking under the authority of the General Government, a monopoly of its favor and support, and, as a necessary consequence, almost a monopoly of the foreign and domestic exchange. The powers, privileges, and favors bestowed upon it in the original charter, by increasing the value of the stock far above its par value, operated as a gratuity of many millions to the stockholders.

Experience should teach us wisdom. Most of the difficulties our Government now encounters and most of the dangers which impend over our Union have sprung from an abandonment of the legitimate objects of Government by our national legislation, and the adoption of such principles as are embodied in this act. Many of our rich men have not been content with equal protection and equal benefits, but have besought us to make them richer by act of Congress. By attempting to gratify their desires we have in the results of our legislation arrayed section against section, interest against interest, and man against man, in a fearful commotion which threatens to shake the foundations of our Union. If we can not at once, in justice to interests vested under improvident legislation, make our

Government what it ought to be, we can at least take a stand against all new grants of monopolies and exclusive privileges, against any prostitution of our Government to the advancement of the few at the expense of the many, and in favor of compromise and gradual reform in our code of laws and system of political economy.

Source: Jackson, A. (1832). President Jackson's Veto Message Regarding the Bank of the United States. In *The Avalon Project*. Retrieved October 20, 2007.